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USSR Report

HUMAN RESOURCES

No. 35



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CONTENTS

LABOR

Moscow's Labor Use Program Analyzed (V. Markov; SOTSIALISTICHESKIY TRUD, May 81)	1
Ways To Improve Labor Resource Utilization in Industry Viewed (L. S. Dorokhova, R. P. Kolosova; IZVESTIYA AKADEMII NAUK SSSR. SERIYA EKONOMICHESKAYA, Mar-Apr 81)	12
Greater Role for Public Opinion, Collective Opinion Urged (M. Gorshkov; POLITICHESKOYE SAMOOBRAZOVANIYE, Apr 81)	27
Manpower Distribution Forecast With Regard to Social, Demographic Factors (T. A. Shokareva; IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA, May-Jun 81)	37

LABOR

MOSCOW'S LABOR USE PROGRAM ANALYZED

Moscow SOTISIALISTICHESKIY TRUD in Russian No 5, May 81 pp 30-39

[Article by Candidate of Economic Sciences V. Markov, deputy chairman, Moscow City Soviet Executive Committee Planning Commission: "The Goal--Raising Labor Effectiveness and Economical Use of Manpower"]

[Text] The 26th CPSU Congress determined the basic directions of the country's economic and social development in the next decade. Economic planning and business organs at all levels of management are now working on the draft 11th Five-Year Plan with a consideration for this. This work is complex not only in terms of the universally accepted and customary gauges used in the preparation of long-range and annual plans, but also because many new things have to be introduced, considering the altered scale and structure of our economy, the new tasks, and the conditions for the economy's development in forthcoming years. One such difficult, complex long-range problem that requires the most serious attention is manpower.

When measured against other cities, Moscow has essentially attained the highest level of manpower use. In this case the proportion of the older population is larger and that of the younger population is smaller, due to the higher load imposed upon the working population and the unfavorable trends of its natural growth. Therefore the decisive prerequisite of further development of Moscow's economy and improvement of the well-being of its population is accelerated growth of labor productivity and effectiveness in all sectors, on the basis of a high rate of scientific-technical progress and further improvement of economic management. Consequently, as is noted in decisions of the 26th CPSU Congress, the task is to make sure that labor productivity rises at a faster rate than growth in production volume, or to achieve a direct decrease in employment in the sectors of material production.

Absolute reduction of the number of workers in entire sectors would be a difficult task. The difficulty is aggravated by the fact that in addition to having to directly reduce the number of employees in some of the economy's sectors, we will have to increase it in a number of others, especially in urban management. Such an increase is a necessary prerequisite for sensible use of fixed capital, and for improvement of the social, personal, and cultural services afforded to the capital's population and its visitors.

Take housing management as an example. Moscow's housing pool has now reached almost 150 million square meters total (useful) space. While at the beginning of 1966

three-fourths of the housing pool consisted of buildings up to five stories high, today they make up one-third. Concurrently the proportion of housing space in buildings nine and more stories high has increased from 11 to 55 percent; this includes a fraction of almost one-fourth in buildings with 12 stories and more. Now 85 percent of all housing space is in buildings erected after 1955. They are outfitted with water lines, sewage systems, central heating, baths, gas or electric ranges, and hot water. This requires an approach to preserving and maintaining the housing pool, to developing its engineering services, and to providing personnel--with sufficiently high qualifications at that--different from any taken previously. Problems such as this also arise in transportation, in the road maintenance, municipal, fuel-and-power, and other areas of municipal management, and in social, cultural, and personal services.

Problems associated with developing the country's largest cities in the face of limited resources, manpower in particular, have been in the center of attention of the city party committee, the Moscow City Soviet Executive Committee, and its planning commission for several years. Measures associated with this area were examined during preparations for the 25th CPSU Congress, as was reflected in resolutions of the 24th City Conference of the CPSU, during which the need for developing a specific-purpose integrated program for raising labor effectiveness and making economical use of manpower was noted.

Development and implementation of the specific-purpose integrated program (the TsKP-"Trud") is to insure, in industry, construction, science, and scientific services, a preferential rate of growth of labor productivity and effectiveness in comparison with the growth rate for production and job volume, reduction of the number of workers on this basis, and dramatic improvement of labor productivity and effectiveness in all other sectors of the city's national economy, coupled with reduction of the absolute manpower increment that occurred in the 10th Five-Year Plan, such that the total number of blue and white collar workers employed in all sectors of Moscow's national economy would remain at about the level of the 1980 plan until the end of the 11th Five-Year Plan. This program will be the first stage of a more-general program of production reequipment, growth of labor productivity, and sensible use of manpower in 1981-1990. It includes a complex of measures to save manpower by raising the technical level of production (by mechanization and automation of production processes, by renovation of production procedures) and to improve labor organization (introduction of progressive forms of labor organization and stimulation, reduction of losses of working time, reinforcement of labor discipline, and so on). Special attention is devoted to measures aimed at reducing manual labor in industry, construction, and in a number of other sectors. A precondition of these measures is registration of each workplace and determination of concrete targets for mechanization and automation of manual labor in these areas.

The task of accelerating development of the city's economy while keeping the manpower level stable and redistributing the limits of white and blue collar manpower among the different sectors, as necessary in these conditions, is a new and extremely complex task, one requiring great purposeful work by all soviet and economic organs and social organizations. We need to not only reach concrete technical, economic, and organizational decisions, but we must also surmount the force of the long-standing opinion that without increasing manpower, it would be impossible to develop enterprises and sectors, and that a manpower reduction would inevitably reduce growth of production volume.

Drafting our proposals for the TsKP-"Trud", we took the experience accumulated in the 10th Five-Year Plan as our starting point. After the functions of the Moscow City Soviet Executive Committee and its planning commission were expanded in 1975, an extensive experiment was started in Moscow to combine territorial and sector planning at the scale of the country's largest city. In its course, we developed and confirmed a system for planning and limiting the number of workers in enterprises and organizations located on the city's territory, and we improved the method of planning and evaluating the end results of production in different sectors of the economy, and labor productivity and effectiveness, and the forms of controlling compliance with planning discipline.

On the whole, the experience of the 10th Five-Year Plan is quite significant, and it must be developed. Owing to measures implemented by the capital's party, soviet, and economic organs and by the Moscow City Planning Commission, the trend of increasing production volume by recruiting additional manpower was basically surmounted by as early as in 1980. In industry for example, the entire increment in production, including surplus production, was achieved owing to labor productivity, without increasing the number of workers. And in the five-year plan as a whole, more than 90 percent of the growth in production volume was achieved by raising labor productivity.

The swift and, in many ways, unjustified growth of the number of workers in scientific organizations and in so-called scientific services, into which a significant proportion of the most highly qualified personnel drifted in recent years, was also halted. Completion of work associated with the 1980 Olympics created better conditions for better use of manpower in construction and in other sectors of the city's economy.

In Moscow's national economy as a whole, there was a significant savings of manpower in 1980, in comparison with the set limit. Nevertheless, while the bulk of Moscow's enterprises and organizations are not only keeping within the set manpower limits but are also achieving a direct savings of manpower as a result of a purposeful technical and organizational policy, a number of ministries and departments continue to maintain a larger work force than planned (the Ministry of Petroleum Industry, Ministry of Automotive Industry, Ministry of Heavy and Transport Machine Building, the Ministry of Transport Construction, the RSFSR Ministry of Geology, the RSFSR Ministry of Education, the RSFSR Ministry of Culture, and others).

Typically, practically all union and republic ministries and departments foresaw an increase in manpower in their proposals, irrespective of growth in production volume, for their 1981 plan. Following meticulous analysis of these materials, in the final draft of the plan submitted to the government, the city planning commission reduced the number of white and blue collar workers in 55 ministries and departments below the 1980 level (with a consideration for actual manpower use). And in general, growth in labor productivity is to proceed at a faster rate than growth in production volume; personnel involved in industrial production, and mainly in unskilled, laborious, and physically hard jobs and in jobs performed in harmful conditions, are to be reduced by about 6,000 persons. It is understood in this case that new industrial enterprises will be provided workers freed from enterprises already in operation. The manpower levels in other organizations will be maintained basically at the 1980 level. Ministries and departments possessing enterprises and organizations in Moscow must comply with these conditions strictly.

Thus when it came time to develop the specific-purpose integrated program for raising labor effectiveness and making economical use of manpower in Moscow's national economy, we had a certain amount of experience under our belts: Preparations for the TsKP-"Trud" program went on throughout all of 1980. And now we can announce that a system providing for an integrated territorial-sector approach to solving the problems associated with Moscow's long-range labor balance has basically been finished. Further improvement of ways to economically stimulate more-sensible use of manpower, and the master plans presently being written for development of individual sectors of the capital's national economy--to be evaluated from the standpoint of the TsKP-"Trud", should create additional possibilities for this system.

Presently the program is being developed in the city's labor collectives and in the ministries and departments with a consideration for the tasks facing our city in the 11th Five-Year Plan.

How was the work on the program organized?

The planning commission, the Moscow City Executive Committee Labor Administration, and Moscow's Institute of Economic Problems prepared, with the participation of the USSR Academy of Sciences Institute of Economics and the city's statistical administration, the "Methodological and Organizational Premises and Recommendations for Writing the TsKP-'Trud'", in accordance with recommendations of the Moscow City CPSU Committee's Commission for Socioeconomic Problems of the Development of Moscow City, adopted in December 1979 on the basis of the report of the Moscow City Planning Commission, and approved by a decree of the Moscow City Committee Bureau and by a decision of the Moscow City Soviet Executive Committee. The provisions and recommendations were approved by a specially created coordination council under the Moscow City CPSU Committee, and the goals, directions, and the order and deadlines of developing the programs in the sectors, rayons, enterprises, and organizations were determined. The programs were foreseen as a most important component of the integrated plans for the capital's economic and social development in 1981-1985. It was with this purpose in mind that the Moscow City Soviet Executive Committee submitted tentative manpower limits for the 11th Five-Year Plan to the ministries and departments as control figures. These limits were suggested as the basis of the programs, since they predetermined the basic parameters for planned redistribution of manpower among the sectors of the city's national economy, with an eye on basically keeping the number of white and blue collar workers in the city at the 1980 level.

Thus the citywide program contains both sector and territorial aspects. The sector programs were written in the ministries and departments and in the sector administrations of the Moscow City Executive Committee on the basis of materials supplied by subordinated associations, enterprises, and organizations, while territorial programs required generalization of the programs of the associations, enterprises, and organizations located within a given administrative region. Work groups staffed by specialists from economic and technical services, by the best producers and production innovators, and by representatives of social organizations were created, with the appropriate executives in charge, in the ministries, departments, associations, enterprises, and organizations for this purpose.

Coordination councils under the rayon CPSU committees are managing the efforts to develop the programs in each rayon of Moscow, together with the appropriate working commissions.

In order to tie in the programs being written with the draft five-year plan and to make it possible to summarize the results, special attention was turned to insuring unity in the methods used to compute and evaluate the reserves for raising the effectiveness of manpower use.

The Moscow City Planning Commission, the Moscow City Labor Commission, and the Institute of Economic Problems held regular conferences to explain these methods. Special attention was devoted to monitoring the progress of program development.

The first stage of work on the program has now been completed, and its main indicators have already been reflected in the plan for integrated economic and social development of Moscow in 1981. But we must keep in mind that the calculations that have been made thus far are only the beginning, basically representing only the most general and tentative evaluation of the reserves of labor economization. Work on the program will continue as we write up the 11th Five-Year Plan; later on, its figures will be made more specific as additional internal reserves are found and as enterprises and organizations adopt counterplans and socialist pledges. If it is to be truly effective, the TsKP-"Trud" must be written wholly in application to Comrade L. I. Brezhnev's directives in his speech on specific-purpose programs at the October (1980) CPSU Central Committee Plenum: "Each such program must be a substantiated plan, based on precise calculations, of measures aimed at a particular end result, at full solution of some particular problem. It is important for such a program to define the stages and succession of problems to be solved. And of course, there must be a system for managing the program, one clearly establishing personal responsibility for every area of work, and affording the necessary powers. Without this, the program would be not a program but an assemblage of good intentions." What are the first results of our work on the program?

It was written with the participation of 67 USSR and RSFSR ministries and departments, 30 sector administrations of the Moscow City Executive Committee, 32 city rayons, and several thousand of the capital's enterprises and organizations. A large proportion of the enterprises, organizations, ministries, and departments worked on the program responsibly. This was promoted to a great extent through the active role assumed by the rayon party committees and by the executive committees of the local soviets, by their labor departments, and by their rayon planning commissions, and through the recruitment of a large number of qualified specialists.

A manpower savings of 120,000-140,000 mean annual workers--about two-thirds of the total planned manpower savings--is to be achieved in industry and construction by introducing more-productive machines and equipment, by improving production processes, by raising the level of production mechanization and automation, and by implementing a specific-purpose program for reducing manual labor. The rest of the savings is to be achieved through measures of an organizational, social, and economic nature. In the services, the second group of measures will have an even larger role, resulting in about half of the manpower savings.

Typically, given an average target of 6.5 percent for reducing the manpower limits in the city's industrial enterprises, many enterprises that seriously analyzed their reserves significantly exceeded this control figure (the Automatic Lines Plant imeni 50-letiya SSSR, the "Mikromashina" Association, the Kuntsevskiy Platinum Needle Plant imeni KIM, the Moscow Instrument Plant, and the Paper Factory imeni M. V. Frunze). The programs written at these enterprises foresee a 7.0-8.5 percent reduction of manpower in industrial production during the five-year plan.

Much is being done in the leading industrial main administration--the Glavmosstroy-materialy [Main Administration of Construction Materials Industry of the Moscow City Executive Committee]. It plans to significantly increase production and job volumes in the face of an absolute reduction in manpower--6 percent in industrial production and 3.5 percent in scientific research and planning-design organizations. There are to be manpower reductions in construction as well. For every percentage point that the production (job) volume will rise, labor productivity will have to increase by 1.7 percent in industry and by 1.9 percent in construction. This will be supported by expanded production of construction articles and structures in the Unified Catalog, by introducing three-tiered conveyer lines in reinforced concrete article and structure production, by assimilating the new "Betonpolimer" method for article production, by creating flow lines for the production of carpentry articles, and by fully mechanizing freight handling operations. Special attention is being devoted to releasing workers from manual and, especially, physically hard work, the amount of which is to be reduced by almost a third. The proportion of employees involved in manual and hard manual labor in freight handling operations is to be reduced significantly.

Special mention should be made of the work done on the TsKP-"Trud" by the Presidium of the USSR Academy of Sciences.

In the last few years the number of workers in science and scientific services increased exceptionally quickly. In the last 15 years it increased 1.7 times faster than in the national economy as a whole, and 16 times faster than in industry. Today this sector employs one out of every five Moscow laborers, and if we add planning-design and other similar organizations, the figure would be one out of every four, which is about equal to the number employed in industry. Many opinions can be stated about the high concentration of science in Moscow, but in general, we cannot but see certain negative consequences in the evolved situation: the drifting of the most qualified personnel into these organizations out of productive sectors, which in the end leads to a paradoxical situation. In Moscow--a center in which the most qualified labor potential is concentrated, the proportion of engineers, technicians, and white collar workers in industry bearing certificates as specialists with a higher education is lower than the country average. Concurrently we possess numerous facts attesting to unsatisfactory use of workers employed in science. Thus considering the overall manpower shortage, it is now very important to create conditions under which further development of science in Moscow would be accompanied by fuller utilization of the existing scientific potential, by growth in the effectiveness with which the personnel are used, and by a certain savings in manpower. It would be important to follow a definite territorial policy in the development of science, and to achieve more-sensible distribution of scientific institutions over the country's territory. Until recently, this has always been a difficult problem to solve, since the ministries and departments have offered resistance to all proposals of the Moscow organizations.

In accordance with the program developed by the Presidium of the USSR Academy of Sciences, we are to reduce the manpower limits for the academy's enterprises and organizations located in Moscow by 5.5 percent, differentiated with respect to individual types of scientific and productive activity: by 7.1 percent in scientific research institutions, by 5.8 percent in design organizations, and by 5.8 percent in industrial enterprises. Manpower will be reduced in scientific research institutions mainly by reorganizing their research topics, by excluding unimportant and minor topics, by increasing technical support, automation, and mechanization in scientific research, by improving the organization of labor of all categories of workers, and by introducing the specific-purpose program method of organizing and planning scientific research.

Many other ministries and departments have also demonstrated a serious attitude toward development of the TsKP-"Trud". Unfortunately, however, we are forced to assert that there have been cases in which enterprises and organizations have gotten together with the party rayon committees on measures to significantly reduce manpower, but the corresponding ministries, on examining these documents, have oriented them on lower indicators for labor effectiveness. Thus it is no accident that the specific-purpose programs submitted to the Moscow City Planning Commission by some ministries fail to satisfy the requirements of attaining balanced manpower development in Moscow (primarily the requirements associated with the amount of manpower freed for other jobs). A number of industrial ministries, although they do foresee raising labor productivity as a means for increasing production at Moscow enterprises, do not foresee a large enough manpower reduction.

Completion of this work in Moscow as a whole was delayed at the fault of certain ministries (the USSR Ministry of Instrument Making, Automation Equipment, and Control Systems, the Ministry of Radio Industry, the Ministry of Automotive Industry, the Ministry of Light Industry, and others), which violated the deadlines for writing the program.

A new stage in the work has now started. First, we need to increase the planned manpower savings up to those parameters implied by the long-range labor balance. Second, the program must be made an inherent part of the plan for integrated economic and social development of the city in the 11th Five-Year Plan, which would require coordination with all other subdivisions and indicators of this plan. But the most important thing today is to make full use, in the struggle to raise labor productivity and economize on manpower, of the new possibilities of economic stimulation created by decisions of the party and government associated with improving the economic mechanism, and to solve a number of general problems concerned with organizing the mechanism for controlling social and labor processes in the city's territory.

Although the methods used to date to slow down the growth of manpower are producing certain results, they are not sufficiently perfected. The stimulation mechanism and the sanctions used in the manpower area are clearly not in keeping with the nature and the economic significance of the associated tasks.

Introduction of white and blue collar worker limits and of the new order for forming wage funds, based on standard wages per unit product, now makes growth in average wages directly dependent on actual manpower reduction, as related to the planned production volume. This is a powerful stimulus for raising labor productivity, and we must utilize it correctly.

The role of economic stimulation funds and bonus payment systems is growing today. The dimensions of stimulation funds are now determined on the basis of two indicators--labor productivity and product quality, adjusted depending on whether or not product delivery responsibilities are met. This makes fund-forming indicators more significant as a means for stimulating labor collectives. While in the past, these indicators made only certain adjustments in the planned funds, now they will directly determine the size of the funds, on the basis of preexisting standards, and in accordance with the magnitude of the adopted planning pledges and the actual success in their satisfaction. If we are to stimulate more-economical use of manpower, we would need to make fuller use of the system for paying bonuses on the basis of the annual results, and we would need to include labor productivity and product labor-intensiveness indicators into the system for paying bonuses to executives, engineers, technicians, and white collar workers.

In order to raise the responsibilities of association, enterprise, and organization executives for compliance with the limits on blue and white collar workers in Moscow, we need to make fuller use of the rule introduced in 1981, according to which such organizations would lose up to 50 percent of the bonuses they earn on the basis of the year's results, if they maintain excessive numbers of blue and white collar workers.

Improving labor standards and introducing collective forms of labor organization and wages, particularly on the basis of end results, must naturally be thought of as the most important direction for raising labor productivity; this must play a definite role in making the worker collectives interested in eliminating losses of working time, strengthening labor discipline, and nurturing the principles of mutual assistance in labor. It would apparently be suitable to develop, at each enterprise and in each organization on the basis of the TsKP-"Trud", a local program for stimulating manpower economization, containing an elaborate system of sanctions for mismanagement, for unproductive use of manpower, for maintenance of surplus workers, for unsatisfactory standardization of labor, and for employing personnel in jobs outside their qualifications.

Other problems are arising concurrently. Moscow played an important role in preparing and experimentally testing new methods of planning and stimulation foreseen by the decisions on the economic mechanism. We should now do further work aimed at achieving more-active use of economic levers and sanctions in order to solve new problems.

In the opinion of the Moscow City Planning Commission, the time has come to place the city's enterprises and organizations in economic conditions which would stimulate manpower reductions and prevent unjustified manpower growth, especially by recruitment of workers from other cities. In those exceptional cases where manpower must in fact be increased, the outlays for these purposes should be covered not by Moscow's budget but rather by the assets of the appropriate ministries and departments.

Because practically all rayons which had supplied workers to Moscow in the past will now be experiencing a manpower shortage themselves, the possibilities for such migration will decrease dramatically. At the same time, Moscow itself experiences additional difficulties in solving its own problems of social development when it recruits labor resources from without, inasmuch as the demand for housing and for social, cultural, and personal services rises. At its present level of development, the

city is already suffering many new and complex problems in transportation, in organizing the territorial distribution of housing and jobs, in food supply, in providing fuel, power, and water, in maintaining a repair base, and so on. Under such conditions it would be important to place the emphasis on local manpower. Moreover, as had been the case in the past, the capital will also have to help other regions in the country solve their major national economic problems.

If we are to stimulate sensible use of manpower, determine the economic impact of introducing new equipment more correctly, and restrain the ministries and departments from solving their problems by importing workers from other cities and rayons which are themselves experiencing a manpower shortage, it would be suitable to implement, perhaps as an experiment in the beginning, economic measures such as introducing higher social insurance rates than in other rayons, and making enterprises pay extra for the actual amount their manpower grows over previous levels, and make sufficiently high contributions to the Moscow budget for development of the social infrastructure required by that share of the manpower which is brought in from other economic regions of the country. In this case the contributions would have to be made at the expense of capital investments.

Further development of the TsKP-"Trud" program must be aimed not only at finding the internal reserves of the enterprises, organizations, and entire economic sectors, but also at solving a number of general problems associated with use of the country's labor potential, with integrated planning of the country's economic and social development, with coordination of the principles of sector and territorial administration, and with coordination of the efforts of the city organizations and the union-republic ministries and departments.

Relieving the capital of functions atypical of it and restricting the areas of application of labor which is clearly unnecessary and which is low-skilled and unproductive make up an important direction in the effort to develop this system for economical use of Moscow's labor potential. The master plan for the development of Moscow foresees moving so-called "inappropriate" enterprises and organizations, and ones that are detrimental in sanitary respects, outside the city limits. However, this effort is proceeding extremely slowly. In the last few decades, the targets for moving such enterprises have been completed by less than half. The ministries of chemical industry, nonferrous metallurgy, chemical and petroleum machine building, agriculture, and some others are especially remiss in this effort. They need the help of central planning organs.

The manpower problem is also being aggravated by the fact that despite the limitations that have been introduced, new organizations are still being created in Moscow, predominantly scientific research and planning-design organizations, as well as small construction-repair, troubleshooting, transport, and supply and marketing organizations not directly associated with the city's economy. This is a manifestation of the desire departments have for maintaining organizations for their own purposes in the capital because they can staff them at least cost. Huge transportation organizations such as Glavmosavtotrans [Main Administration of Motor Transport of the Moscow City Executive Committee], Glavmosgortrans [not further identified], and others subordinated to the Moscow City Executive Committee have been created with the purpose of centralizing cargo and passenger traffic; but the city also possesses about 1,800 additional small motor vehicle enterprises employing almost 90,000 workers.

In addition to the personnel employed by the USSR Gosplan and by the Moscow City Executive Committee's material-technical supply organizations, there are more than 30,000 persons working in various local supply and marketing offices and organizations created in recent years. For practical purposes these are transloading bases, which only increase the traffic problem in the city and burden rail and motor transport with inefficient shipments.

We also need to hasten implementation of adopted decisions to move enterprises, bases, offices, organizations, and institutions, not in keeping with the city's profile as an industrial, scientific, cultural, and administrative center, outside the city limits. It would obviously be suitable, when determining the deadlines for removing such enterprises, to simultaneously make the decision to progressively reduce the financing of their current activities, including wages, in such a manner that financial support would be totally nonexistent by the end of an established time.

Analyzing the experience of writing long-range specific-purpose programs for raising labor effectiveness and economizing on manpower, I would like to turn attention to the following. The enterprises, organizations, ministries, and departments are proceeding on the supposition that additional assets will be provided and that capital investments will grow to support such programs; they are waiting for the machine building and other sectors of heavy industry to begin production, in sufficient quantities and in the needed assortment and quality, of the equipment and mechanization resources they would need for the program. But they may have to wait a long time. And so the compiled program may transform from a program of action to one of good intentions.

At the same time, there are reserves (it would be better to call them losses) which, if utilized, would produce a large economic impact, without sizeable additional capital investments, and in a number of cases a savings of such investments may be achieved. Thus it is especially important to carefully review and reveal all areas of unproductive, low-skilled, and sometimes even useless labor and outlays of working time. Sometimes huge reserves of labor economization lie on the surface, and we simply get used to them. It would be sufficient to recall that by switching public transportation to self-service without the use of conductors released 25,000 workers in Moscow and about 200,000 persons in the country as a whole. And this was done with practically no additional capital investments, and without seriously altering transportation management. Such reserves, even if they are smaller, may be found in all sectors of the national economy.

This is not to mention mechanization of laborious, heavy, and unattractive jobs, strengthening labor discipline, reducing losses of working time, and a number of other well known problems, solution of which would play an extremely important role in achieving sensible use of manpower.

Thus the Moscow TsKP-"Trud" program is not simply a summary of sector measures for reequipping enterprises and raising labor productivity. It is a specific-purpose program aimed at economizing on manpower, and systematically redistributing it among the sectors of the national economy, and at achieving balanced development of the economy without increasing the total number of white and blue collar workers in the future in the city as a whole. It not only deals with the problems of raising

labor productivity and effectiveness in individual sectors of the national economy, but it also addresses a large number of intersector and citywide problems associated with raising the effectiveness of labor potential and insuring integrated economic and social development of our motherland's capital.

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LABOR

WAYS TO IMPROVE LABOR RESOURCE UTILIZATION IN INDUSTRY VIEWED

Moscow IZVESTIYA AKADEMII NAUK SSSR. SERIYA EKONOMICHESKAYA in Russian No 2, Mar-Apr 81 pp 103-116

[Article by L. S. Dorokhova and R. P. Kolosova: "The Use of Labor Resources at the Present Stage"]

[Text] The article is devoted to the problems of improving the methods for managing labor resources in the stage of a developed socialist society. The authors analyze the use of economic, social and administrative methods for managing labor resources using the example of RSFSR industry. On the basis of the analysis shortcomings are disclosed in the utilization of the designated methods and proposals are given to improve them.

The socialist management system creates the necessary prerequisites for the fullest and most efficient utilization of the nation's labor potential. The problems of labor resources have been successfully solved in all the development stages of our society, and as a consequence of this fundamental changes have been achieved in labor. The ensuring of full employment for the able-bodied population and a high level of its labor activity, the training of an enormous number of highly skilled workers and specialists and the rational distribution of labor resources in the national economy--these and other achievements of the planned socialist system have been reflected in the new Basic Law of the Soviet state which affirmed the fact of creating qualitatively new labor resources.

In the stage of developed socialism, under the conditions of the planned intensification of production, new, higher demands reflected in the decisions of the 26th CPSU Congress are being placed on managing the formation, distribution and use of labor resources. The materials of the 26th Congress outline the fundamental ways for implementing these demands, namely: the greatest possible improvement in the management of social production and a bettering of planning for the purposes of the fuller utilization of the advantages and opportunities of the developed socialist economy. An important document in the area of improving national economic planning and management was the Decree of the USSR Central Committee and the USSR Council of Ministers of 12 July 1979 "On Improving Planning and Strengthening the Effect of the Economic Mechanism on Raising Production Efficiency and Work Quality." This decree was directly aimed at the intensification of social production and the saving of live labor.

As was defined in the decisions of the 26th CPSU Congress, the greatest possible savings in all types of resources, a rise in production efficiency and an improvement in work quality are the strategic direction for developing the economy. In the report at the 26th Party Congress, Comrade L. I. Brezhnev said: "Under the conditions of the 1980's, a careful, economic attitude toward the labor resources has assumed particular significance" (1). This has been due primarily to the exacerbation of the labor resource problem. The given exacerbation has been caused by objectively operating demographic, economic, social and other factors. The most important of them are: the reduction in the increment of the working-age population, the almost complete utilization of certain sources for meeting the demand of the national economy for personnel, the substantial rise in the employment of working-age youth in studying full-time, and so forth. The decline in the growth of labor resources can and should be compensated for by a further rise in the quality of their professional training and by effective distribution and redistribution and rational use.

For successfully solving the designated problems, it is essential to consistently and thoroughly study all phases of the process in the reproduction of the labor resources and the dialectics of their relationship. The thoroughness of understanding the factors which directly or indirectly influence the process of labor resource reproduction determines the effectiveness of control over this complicated socioeconomic process.

The approach to labor resources from the position of improving the management of their reproduction presupposes the viewing of labor resources, on the one hand, as a subsystem of the population, and, on the other, as a subsystem of society's productive forces. As a subsystem of the productive forces, labor resources are incorporated in the process of social production and their management becomes a subsystem of managing social production. In this regard, the management of labor resources should conform to such general principles in the management of social production under socialism as the unity of goals of political and economic leadership, democratic centralism, planning, the unity of the sectorial and territorial aspects, control and check on execution and so forth, and serve the realization of the goals and tasks confronting the national economic management system as a whole.

However, the labor resources are a specific object of management. Under the conditions of the socialist method of production, labor resources operate simultaneously as the object and principal of social production, as the objective and most important factor of social development. Proceeding from this, the management of labor resources is confronted with its own goals which are defined by the essence and limits of the object of management, that is: ensuring rational employment of the labor resources, achieving high effectiveness of their use and satisfying the demand of the national economy for manpower.

Organizational-administrative, economic and social methods are employed to carry out the principles and achieve the goals of labor resource management. The organizational-administrative methods are primarily the quotas and administrative instructions as well as the rules and sanctions the fulfillment of which is compulsory. The economic methods involve the use of economic levers and incentives. Social methods of management are becoming evermore widespread and these are based on conviction, indoctrination, moral demands and the force of public opinion. Under

present-day conditions, of the designated aims of labor resource management, a rise in the efficient use of labor resources has moved to the forefront.

The problem is that the fundamentally new task posed by the 25th CPSU Congress of developing the national economy in the current five-year plan and beyond by the more efficient use of the already functioning labor force as yet has not been fully carried out. A marked role in the increase of social product is played by the extensive factors for the development of production, that is, the expansion of the number of jobs and the hiring of additional manpower.

The maintaining of the high increase rates for the number of new jobs under the conditions of a slowdown in the increase in the working-age population has led to a shortage of labor resources and to the turning of them into a limiting factor for production development. An imbalance has arisen due to the fact that the system of capital investment allocation as yet does not fully consider the conformity between the reproduction of fixed capital and the labor resources, as a consequence of which capital investments are employed in unjustifiably high amounts to create new jobs.

The rise and reinforcing of the labor resource scarcity in the national economy have been caused by the insufficient focusing of the planning and economic incentive system on the saving of labor resources.

The orientation of technical policy has also not become sufficiently labor-saving and as a result manual labor comprises a significant share at the newly created and reconstructed enterprises.

Under the conditions of scientific and technical progress, the enormous opportunities for increasing the efficient use of labor resources are still not being sufficiently realized. Here one of the leading indicators is the release and redistribution of labor resources. Approximate calculations of the number of workers released show that their share in the aggregate industrial-production personnel should be at least 3 percent a year. In actuality, according to survey data, it does not exceed 1 percent [4]. In the national economy a significant number of workers is employed in manual labor. In basic production there has been a rise in the number of workers employed in manual labor in routine, basically uncreative assembly and installation operations. The level of mechanization in auxiliary jobs, and in particular materials handling and repair ones, significantly lags behind the mechanization level of basic production. Around 1.5 million persons are employed in manual labor just in loading and warehousing operations.¹

The reason for these phenomena is that the enterprises are little interested in releasing workers or in the fuller employment of their knowledge and abilities. Obviously there are serious shortcomings in the system of administrative, organizational and economic levers which ensure a rise in the efficient use of labor resources. One of them is the poor development of cost accounting relationships between the enterprises, associations and the state and relating to the use of labor resources. A number of regulations in effect currently at the ministries and enterprises on organizing wages and bonuses are a factor impeding a rise in the efficient use of labor resources and their release.

For example, the placing of enterprises in a certain group is the basis for determining the amount of salaries for engineers, technicians and white collar personnel as well as the bonuses from centralized funds for introducing new technology, for the results of the socialist competition and other types of payments. This group is determined, along with other indicators, by the planned number of workers and this reduces the interest of the enterprise in reducing the number. The desire of the enterprises to increase the number of employees has also been perpetuated by the procedure existing in a number of sectors for forming the economic incentive funds in percent of the wage fund.

The presence of surplus manpower at the enterprises can be seen from the substantial concealed reserves, including: the significant intrashift and whole-day losses of working time (the amount of intrashift losses at many industrial enterprises is 15-20 percent of the working time [5, p 51]), the insufficiently high level of norm setting and personnel turnover. In addition, often the need arises to divert employees into seasonal agricultural work and the schedules for material-technical supply are disrupted. This leads to a revising of the plan quotas.

Due to the absence of comprehensiveness and a unified focus in the effect of the methods of labor resource management, a difficult situation is created in providing the national economy with a labor force and its utilization. Research conducted with the participation of the authors on the problem of increasing the efficient use of manpower and meeting the demand for it by RSFSR industry has shown that characteristic of industry is the presence (along with an above-planned number of industrial-production personnel) of a manpower shortage for certain professions and skills and insufficient supply of labor resources for the industrial enterprises in a number of regions of the nation.² As the analysis has shown, the manpower shortage for individual professions and skills at many industrial enterprises has developed against a background of surplus personnel at them, that is, above-planned staffs.

Such a situation has a substantial influence on the production activities of the enterprise. Due to the presence of vacant positions for individual professions and skills, in carrying out the plan quotas the expenditures of live labor by other employee groups are increased due to the increased intensity of the labor or the increase in the duration of working time (overtime). Moreover, there is a relative rise in the cost of a unit of product because of the incorporation in it of amortization deductions for nonoperating equipment. As a result, in either instance the aggregate labor expenditures rise per unit of product.

The presence of vacancies also tells on the manpower utilization indicators. Research has shown that the greater the manpower scarcity, the poorer the labor discipline (more absences without leave and related dismissals); there are greater losses of working time, personnel turnover is higher and all-in-all there are lower indicators for the efficient use of the labor resources.

The combination of a manpower shortage for individual professions and skill groups and the above-planned number of workers at the enterprises is the most vivid proof of the need to improve the existing labor resource management methods and above all the economic ones aimed at raising the efficient use of the labor potential, intensifying production and labor savings.

As is known, the economic management methods are a means for realizing the demands of the economic laws and they represent an aggregate of economic levers and incentives by which the goals of management are attained. One of the basic economic levers is wages. The law of distribution according to labor holds the key role in the organizing of wages. At the same time wages are also influenced by the basic economic law and the law of compensation for manpower expenditures. Being a means of encouraging high production results, wages are also influenced by the laws of the planned, proportional development of the national economy, the steady growth of labor productivity and the law of value. Here wages are, as is known, the basic source of income and for raising the standard of living of the population, but they also operate as a means for encouraging high production results by both individual workers and entire collectives.

Under the existing conditions of a taut balance in the labor resources, wages more and more are assuming the function of attracting and retaining personnel in non-prestigious areas of production. Monetary compensation for the unattractiveness of work, of course, is an acceptable method of economic action. However with an unjustified significant increase in wages without any additional efforts by the employee to improve the quantitative and qualitative indicators of his labor, the incentive role of wages is virtually eliminated.

As is shown by data from the surveying of 240 industrial enterprises in the RSFSR, the providing of higher wages immediately upon hiring at a new area of work (a widely practiced method of material incentive) is, however, an ineffective solution to the problem of the labor shortage, since the attracting of the worker to the new job is not followed by keeping him there. The survey data show that the enterprises which use wages as an attractive incentive were in the group of enterprises with the highest turnover indicators.

Such a use of increased wages reduces the incentive to improve manpower skills. As a result such a policy of attracting employees impedes the consistent realization of the law of distribution according to labor, it leads to an unjustified increase in average wages and can have a negative impact on the rate of technical progress. This tells on the efficiency of social production. The chief direction for regulating wages in this regard should be the more rapid growth of labor productivity in comparison with the growth of wages with the planned opening up of new jobs in accord with the greater demand of the population for work (jobs).

Obviously the bonus system requires a definite improvement with the existing professional and skill scarcity of workers in industry. With the existing shortage of personnel of individual professions and skills, it is important that the bonus system encourage not only a savings in the functioning labor force but also a decline in the planned demand for it. With the set production volumes, the need for a labor force is regulated by the labor productivity indicator which to a significant degree is determined by the technical level of production. A rise in this level has not been sufficiently encouraged. The existing bonus system provides for the paying of bonuses for the development and introduction of new equipment but not for its use. Obviously it is essential to encourage both.

Under the conditions of a taut labor resource balance, not only are the methods of influencing the attraction and retention of manpower in social production important

but also the methods for influencing the shaping of the demand of social production for the labor force. At present, the enterprises in the sectors of material production have conditions for creating a "inflated" demand for manpower.

The existing system for covering the expenditures on the reproduction of the labor force by the enterprises and organizations in the material production sectors influences the creation of the "inflated" demand of the enterprises and institutions for manpower in comparison with the actual needs of production. The problem is that the socially necessary expenditures on the reproduction of the labor force include the expenditures on wages reflected in product costs and the expenditures on the public consumption funds which are formed from the enterprise profits and turnover tax and are concentrated in the state budget. The production costs of the enterprises take into account only a small portion of the expenditures on these funds in the form of deductions for social security which comprise 7 percent of the wage fund and do not even cover all the outlays for the purposes of social security. As a result, in the production outlays of the enterprises there is an artificial "devaluation" of the expenditures of live labor in comparison with the physical expenditure elements. In addition, the mechanism for the formation of the public consumption funds is tied not to the quantity and quality of the labor force the expenditures on which should be compensated for by these funds, but rather basically to the profitability level. As a consequence of the designated factors, the existing system for covering expenditures on the reproduction of the labor force does not encourage the enterprises to make economic use of live labor.

Thus, the necessity arises for seeking out new forms to compensate for expenditures on the reproduction of the labor force at the enterprises in the sectors of material production and these forms would be aimed at intensifying production under the conditions of a manpower shortage. One such form could be the introduction of special deductions by the enterprises of the material production sectors for the purposes of forming public consumption funds linked to the quantity and quality of the labor force existing at the enterprises and the incorporation of such deductions in the production outlays in the form of a payment for a job.³

The job system⁴ reflects the demand of the national economy for manpower and acts as an objective basis for forming the employment of the labor resources. Consequently, the key to controlling the labor resources lies both in the sphere of controlling the job system and in the sphere of controlling the demand for manpower. The collecting of payments depending upon the number of jobs and upon the need of the enterprises for manpower represents a more effective way for controlling the employment of labor resources in comparison with the payments related to the functioning of the labor force, as certain economists have proposed. Such a constructing of the payments will help the enterprises accept taut plans for the number of workers proceeding from the real demand for manpower.

In our view, the payment for a job should perform two functions--reproductive and incentive--that is, on the one hand, ensure the full compensation for expenditures on the reproduction of the labor force and on the other, help to raise the efficient use of labor resources and save expenditures of live labor.

The carrying out of the two functions of the designated payment presupposes the introduction of a differentiated payment depending upon the filling of the job, that is, one payment for a filled job and another for a vacant one. On the one hand,

for encouraging a drop in the number of vacant jobs, and, consequently, for encouraging a decline in the additional need of the enterprises for manpower, it is advisable to pay for all the planned jobs regardless of whether they are filled or not. On the other hand, the carrying out of the reproduction function requires the introduction of this payment only for filled jobs, since expenditures on the reproduction of the labor force are needed only for the person who is the agent of manpower. But if the job is not filled, then there are no expenditures which society would bear with the reproduction of the labor force. Consequently, in order to reconcile the two designated functions of the job payment, it is essential to have a differentiated approach to the payment for filled jobs and for vacant ones. The absence of a payment for vacant positions would mean the loss of incentives for the enterprise to reduce the number of jobs and to curtail the additional demand for manpower.

Consequently, the payment for an occupied job carries out both functions--reproduction and incentive--while the payment for a vacant place carries out only one, the incentive one. In this regard, it is advisable as a possible variation to pay two-fold less for a vacant position than for an occupied one if it is considered that both functions of the job payment are equally significant for national economic development.

An enterprise should find a way to eliminate its existing vacant jobs either by filling them or eliminating them by technical, production or organizational measures. In addition, it is essential to encourage a reduction in the number of vacant jobs also considering the decline in worker migration and turnover. As is known, the presence of a large number of vacancies is one of the favorable external conditions helping to increase turnover. This is still another argument in favor of charging a payment not only for filled but also vacant jobs.

From the standpoint of carrying out the incentive function of the payment, for the above-planned jobs it is essential to collect an increased payment in comparison with the planned ones since the labor resources functioning in unplanned jobs are engaged at the enterprise not in accord with its demand for a labor force. In the given instance, there is a drop in the efficient use of manpower in comparison with the other enterprises of the same sector. This is expressed primarily in the labor productivity indicators. At the same time, at enterprises where there are vacant jobs, equipment stands idle and as a result of this the efficiency of social production declines.

An important stage in improving the process of repaying expenditures on the reproduction of the labor force will be an increase in the special payments by the enterprises and organizations in industry and construction for social security as envisaged by the Decree of the CPSU Central Committee and the USSR Council of Ministers "On Increasing Planning and Strengthening the Effect of the Economic Mechanism on Raising Production Efficiency and Work Quality" of 12 July 1979 [2, p 59]. At the same time, we must not stop with this and in the subsequent stages of improving the economic mechanism we must develop the incentive role of payments related to the functioning of the labor force.

The imbalance between the demand of the national economy for manpower and the possibilities of providing it to a large degree is related to shortcomings in labor

resource planning. "A scientifically calculated plan quota which meets the requirements of the objective economic laws and takes into account the interests of both the entire national economy and the production collectives," emphasized A. N. Kosygin, "is a major economic method for managing socialist production" [3].

Since meeting the demand of the national economy for manpower is a territorial problem, the main role in solving it is played by the local authorities. By a government decree [2, p 27], the drawing up of labor resource balances is viewed as one of the duties of the local soviets. At present, this duty is carried out by few soviets. But where this work is done it has virtually no influence on planning the number of employees on one or another territory. At the same time the present situation in the area of manpower utilization urgently needs the compiling of labor resource balances on a regional breakdown and the strengthening of their role in planning the number of workers employed in the regional economy.

The designated decree provides, in addition, the establishing of a limit of the number of employees for industrial enterprises. Such a practice in planning the number of workers has proven effective in Moscow and Leningrad as well as Moscow and Leningrad oblasts. The number of workers for the enterprises, institutions and organizations is planned on the basis of balance calculations for the manpower requirements for these regions and this makes it possible to balance the manpower demand with the possibilities of covering it.

At the same time, the experience of setting a limit on the number of employees has shown that under the given conditions, the possibility arises of a different type of disproportion. On the one hand, the sectorial management bodies set a plan for producing the products proceeding from the production capacity and the demand of the national economy for the product and in accord with this the planned need for manpower is set; on the other hand, the territorial management bodies calculate the plan for the number of employees on the basis of the planned labor resource balance in the region proceeding from the need of the population for jobs. As a result both requirements can fail to coincide and the enterprise is required to maintain an above-planned number of employees for carrying out the production program which was planned for it by the sectorial ministry. Under these conditions the territorial management bodies should possess the appropriate economic and administrative levers to oblige the enterprises to observe the employee limit set for it. We feel that for violating plan discipline in the area of the personnel limit, economic sanctions should be introduced as an addition to the above-designated levers. In exceeding the planned number of employees the enterprises should pay to budget income levies from the enterprise material incentive fund (for example, in Bulgaria the enterprises pay one average annual wage for each above-planned personnel unit from the material incentive fund to budget income). The reduction in the number of personnel, in comparison with the established planned number, under the condition of carrying out the other plan indicators, provides grounds for paying specific bonuses to the leaders who bring about this reduction. A portion of the obtained savings of the wage fund is used for this. The plan set by the sectorial managerial bodies for the enterprises for the rise in the volume of produced product should be secured primarily by a rise in labor productivity on the basis of the technical reequipping of production but not by a rise in the number of employees, that is, this should be done by intensive factors.

Of essential significance in increasing the efficient use of labor resources is the introduction of the Shchekino method for improving the organization of labor, material incentives and planning at industrial enterprises. Its effectiveness and efficiency have been demonstrated in life and are determined by a combination of organizational and economic measures aimed at reducing the requirement of production for manpower. According to survey data from 240 industrial enterprises, the Shchekino method was completely or partially introduced at 47 percent of the enterprises. At 182 industrial enterprises they adopted an element of the Shchekino method such as combining professions, widening the service zones and increasing the amount of work with the appropriate additional payments. This form for the organization of labor has been most widely used in such industrial sectors as the textile, food and lumber industries. While, for example, in 1977, the share of workers who received additional payments for broadening the work area and combining professions was 2.6 percent of the total number of employees as a whole for all the surveyed enterprises, the figure was 6.2 percent in the textile industry, 4.5 percent in the food and 3.2 percent in the lumber industry. The combining of professions, the broadening of the service zones and the broadening of the amount of work are used most in auxiliary production (materials handling and warehousing operations, repairs, grading and so forth). At the same time it must be pointed out that this advanced form in the organization of labor has not become widespread in RSFSR industry. Even greater organizational work is required both by the sectorial leadership as well as at the industrial enterprises themselves.

The implementation of the provisions contained in the Decree of the CPSU Central Committee and USSR Council of Ministers of 12 July 1979 "On Improving Planning and Strengthening the Effect of the Economic Mechanism on Raising Production Efficiency and Work Quality" will help to substantially broaden the introduction of the Shchekino method (completely or partially). Here a particularly large role, in our opinion, should be played by changing the existing planning practices "from the base" and "from the achieved level" and by ensuring stability of the approved plans. "The five-year and annual plans of the production associations (enterprises) and organizations are to be worked out on a basis of economic and engineering calculations, without permitting the establishing of plan quotas solely from the existing dynamics of the corresponding indicators" [2, p 12]. For ensuring stability of the established plans, the decree provided disciplinary and material responsibility on the part of the leaders of enterprises, associations, ministries and departments.

The strengthening of the local labor bodies in job placement of released workers will help to increase the effectiveness from introducing the Shchekino method and the designated decree is aimed at this. In this area the labor bodies must work out forms and methods of job placement for the released workers, including the legal aspect of the problem. The solution to the given question, as the survey materials have shown, is very pressing in the given stage of economic development.

The decree also envisages a broadening of the rights of the production associations (enterprises) to use the savings in the wage fund obtained in comparison with the established norm or planned wage fund, to pay supplements up to 50 percent of the wage or salary for workers who combine professions. This measure, in our view, will help to encourage the combining of professions and thereby to broadening the use of elements of the Shchekino method.

Among the totality of methods for managing labor resources, a definite role is played by organizational and administrative methods which presuppose a direct effect on the managed object with the uniform behavior of it in one or another situation. The basis of these managerial methods is the relationships of authority and subordination in the system of managing socialist production. Under socialist conditions the most important source of authority is in the social (state) ownership of the means of production. The application of organizational and administrative managerial methods presupposes a knowledge and use of the economic laws of socialism. Otherwise subjectivism can occur and this tells negatively upon the development of social production.

Among the organizational and administrative managerial methods are: direct administrative instructions which are of an obligatory nature and addressed to definite managed objects; the setting of rules and standards which regulate the activities of the managed objects.

A study of materials on increasing the efficient use of manpower at 240 industrial enterprises in the RSFSR has shown that the enterprise leaders pay great attention to the administrative methods of managing the labor resources. If one distributes all proposals from the leaders of the surveyed enterprises concerning measures to improve the efficient use of manpower into economic and organizational-administrative ones, the latter would comprise 45 percent and the economic ones 40 percent. The remaining 15 percent of the proposals were made up of undistributed and unanswered replies.

The internal production shifts of employees are one of the organizational and administrative measures to improve the efficient use of manpower. The survey data show that often this measure does not mitigate but rather aggravates the problem of the personnel shortage. In particular, we have discovered that one of the scarcest professions in RSFSR industry is machine tool operators, including lathe operators. At the Klimovsk Textile Machine Building Plant it was discovered that among the lathe operators there was the highest personnel turnover: while in 1977, 7 percent of the welders were let go because of turnover factors, while the figure for lathe operators was 23 percent. Lathe operators also changed their professional more frequently than other workers during employment at the plant. Thus, during employment at the plant, the following changed professions: 23 percent of the lathe operators, 4 percent of the electric welders and 12 percent of all specialties of mechanics. As for the skill movement of lathe operators, this also cannot be considered satisfactory. According to our calculations, the period of time required to move lathe operators from the second to the third category is 14 years, and for all specialties of mechanics it is 4.2 years. To a certain degree this was the result of the following factors: the more frequent change of profession (among the lathe operators of categories 1 and 2, 29 percent of the workers changed their profession, and 6 percent among the mechanics of categories 1 and 2) and the higher turnover of this skill group (of the lathe operators in category 1 and 2, 41 percent of the workers were let go, and 37 percent among the mechanics of categories 1 and 2).

Such trends in the professional and skill movement of the workers led to a situation where lathe operators have become one of the scarcest professions at the Klimovsk Textile Machine Building Plant. This situation is characteristic not only for the given plant. A scarcity of workers for this profession has been discovered for all

RSFSR industry. While previously under the conditions of a loose manpower balance the shortcomings in the organization of the professional and skill movement at enterprises were reflected only in the indicators of personnel turnover, under the conditions of a taut manpower balance, such shortcomings lead to a permanent scarcity of worker personnel for these professions. Consequently, a rationalization of the internal production shifts at the industrial enterprises represents one of the important areas for solving the problems of the manpower shortage for individual professions and skills as well as for increasing the efficient use of labor resources at the industrial enterprises.

At present the labor bodies are confronted with major tasks in supplying the national economy with manpower and in particular in strengthening control over the utilization of labor resources. Of substantial interest in this regard is the experience of the experimental bureaus for job placement and public information in the cities of Ufa and Kaluga in monitoring labor resource utilization. The experience of the given experimental bureaus has shown the great effectiveness of combining the functions of monitoring manpower utilization at the enterprises and organizations and organized job placement. With an above-planned number of employees at an enterprise, the bureau restricts or does not send personnel there. The positive effect from carrying out the designated experiment makes it possible to apply this experience by the local labor bodies in organizing work in the area of state supervision over manpower utilization at the enterprises and organizations regardless of their departmental affiliation.

The effectiveness of monitoring manpower utilization can be increased by restricting hiring at enterprises which inefficiently utilize manpower and not only for the employees moving from one enterprise to another, as is the case in Ufa and Kaluga, but also for young persons entering social production for the first time.

At present and in the future the youth are the sole source for providing the national economy with manpower. The given group of labor resources is most subject to turnover due to shortcomings in the organization of their labor and life. In this regard, job placement for young persons at enterprises which employ the labor force well, on the one hand, can become a factor helping to reduce turnover among the working youth, and on the other, a definite sanction against enterprises which poorly utilize manpower. The application of such a sanction, in our view, will become one of the effective ways to increase the efficient use of labor resources.

In the system of methods for managing the labor resources, social methods are assuming ever-greater significance.

Social management methods, as an element in the mechanism for managing labor resources, are aimed at shaping a system of value orientations which conform to the socialist type of individual. The system of value orientations, in reflecting the bent of the individual, is manifested in the aggregate of ideals, convictions, interests and inclinations and for this reason operates as the determining factor in human conduct. The social bent of a Soviet person is characterized by high ideological conviction, purposefulness, industriousness, a feeling for collectivism and social activeness. These qualities have been shaped as a consequence of the enormous and very complicated indoctrinational and ideological work carried out by the party, Komsomol and other public organizations of the nation, by the system of

general educational and professional training, by the mass information media, by the labor collectives and so forth.

The system of value orientations, in expressing the attitude of man toward society, toward objects and phenomena, is developed and improved in keeping with the development of socialism, on the one hand, and in keeping with the development of each person and the acquiring of knowledge and experience by him, on the other. For this reason it is possible to effectively manage labor resources only by relying on a constant study of the entire broad spectrum of elements in the human social bent, using this as the chief channel of indoctrinational impact.

The professional orientation and permanent interest in a certain type of professional labor activity have a special place in the system of value orientations of a man.

Its special significance is determined primarily by that enormous role which labor plays in the life of our society as a whole and each man individually. Labor, as is known, is always professionally defined and for this reason the choice of a profession is repeated by each person, being essentially an infinite process.

The great significance of professional orientation is also determined by the high social and economic effectiveness of choosing a profession in accord with the inclinations and abilities of a person and the interests of society.

A permanent professional inclination is formed as a result of work in the area of professional guidance. Here we view professional guidance as a type of indoctrinational activity which includes an entire complex of social effects the aim of which is to develop in the young people a professional interest which meets the national economic needs and corresponds to their inclinations and abilities. The first stage of vocational guidance is the organizing of vocational education (information on professions), that is, the acquainting of young people with the content of various professions, with the conditions, ways and times for mastering them as well as with the job placement opportunities. On the second level there is the direct shaping of a professional interest when professional information becomes more specific. Here the knowledge of a young person about the areas of interest to him are deepened, the notions of the range of definite professions are broadened and wherever possible a practical familiarization with them is provided. The young people are also made aware that the profession determines not only the content and nature of human activities but also to a significant degree the way of a man's life. The conditions of professional activities are disclosed without embellishment. During this same period, it is essential to inform the young people about the demand for and distribution of the professions of interest to them in society and about their significance for the future development of the economy of the country and given locality. Then the professional information should include material on how to master one or another profession. It would be wrong to reduce the content of this stage of professional information work to the providing of material on the conditions for admission to VUZes, technical schools or vocational-technical schools or the possibilities of job placement at various enterprises. This is a lesser and relatively simple part of the work. The main task is to eliminate the discrepancy between the social and professional intentions of the young person. At present certain school graduates view higher education not as a value satisfying a professional interest but rather as a means of social advancement. The desire of a young person for social

advancement is undoubtedly a progressive one. However, with an excess of this definite contradictions arise. Moreover, in making the selection the presence of abilities and inclinations for the studied professions is at times ignored. For this reason during the given period of vocational guidance, on a basis of all the previous work, the young persons should be made aware of their real prospects in life and realize the multiple variations in choosing the paths of vocational progress and social advancement.

Coordinating the choice of a profession with the objective needs of a society is a necessary but insufficient condition for successful vocational guidance as this also presupposes a conformity between the requirements of the profession and the personal psychophysiological qualities of a person. This conformity is achieved by carrying out a system of vocational consultation measures. A vocational consultation is the help of specialists in choosing a profession. This is based on studying the particular features of the demands made by one or another profession on the psyche and physiology of a person, the capabilities and inclinations of a person and the needs of the national economy for various specialties. Vocational consultation activities should be carried out at school and consist in elucidating the individual psychophysiological and social features of young people in order to help them appropriately organize their studies and select an area in developing their inclinations and abilities. Furthermore, on the basis of the systematic elucidation, study and development of interests, inclinations and abilities of young people, the possible area of their future activities is determined and this in the form of advice is recommended to them and to their parents.

The designated work at school should be supplemented by the work of special vocational consultation centers which when necessary can carry out diagnostic vocational consultation by specialist psychologists.⁵ The necessity of such consultation is determined by the specific nature of the professions to be chosen, more precisely by the number and quality of limiting functions contained in them as well as to a certain degree by the level of the school vocational consultation.

The range of measures in the area of vocational guidance and consultation provide the young people with a choice of profession in accord with personal inclinations and abilities and correlated to social needs. Precisely such a choice is truly free and corresponds to the spirit and essence of our state's Constitution.

In line with the aim set by the article, here it is important to point out that vocational guidance, as a social method of controlling the labor resources, provides an opportunity to introduce an element of organization into a type of labor resource movement not previously controllable, namely into the process of selecting a profession by the youth.⁶

The effectiveness of the given social method of managing the labor resources is not exhausted by this, for the correct choice of a profession has a positive effect also on the results of the further activities of each person.

In summing up what has been said, it must be pointed out that improving the methods of labor resource management is a complicated scientific and practical task. In the profound relationship and reciprocal causality of management methods and, what is particularly important, in the impossibility of interchangeability lies the objective necessity of a comprehensive approach to a scientific analysis of these methods and to their use in practice.

FOOTNOTES

- ¹Calculated from data given in the article [5, p 5].
- ²The survey was carried out in eight regions of the RSFSR with a clearly expressed labor resource scarcity: in the industry of Tambovskaya, Kurskaya, Saratovskaya and Moscow oblasts, the Tatar and Udmurt ASSRs, and Primorskiy and Altayskiy kraye, using a program specially elaborated by the TsNILTR [Central Scientific Research Laboratory for Labor Resources] of the RSFSR Goskomtrud [State Committee for Labor and Social Problems]. Some 240 industrial enterprises were surveyed with a total of around 0.5 million industrial-production personnel.
- ³The question of introducing a payment for jobs was worked out under the scientific leadership of Doctor of Economic Sciences, Prof V. S. Nemchenko.
- ⁴A job from the standpoint of employment is the place of applying individual labor, a form of organizing the physical elements of production for the activating of which during the work day labor must be applied by *one worker* of a certain profession and skill.
- ⁵The possible choice of the functions of these centers is a question of special research and is not examined here. Our position on the given question has been stated in the monograph [6].
- ⁶It must be pointed out that the problem of selecting a profession can confront persons of different ages. The methods of vocational guidance in these instances should obviously be substantially altered. A complete elucidation of the nature of these changes is a question for special research. But it can be considered obvious that the elaboration and application of vocational guidance methods are essential for the regulation and professional redistribution of labor resources.

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10272

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LABOR

GREATER ROLE FOR PUBLIC OPINION, COLLECTIVE OPINION URGED

Moscow POLITICHESKOYE SAMOOBRAZOVANIYE in Russian No 4, Apr 81 pp 28-35

[Article by M. Gorshkov: "Public Opinion and Its Effectiveness"]

[Text] The period between the 25th and 26th CPSU congresses has become an important stage on the path of improving all ideological indoctrination in the labor collectives and for bringing its content into accord with the increased educational and cultural level, with the needs of the Soviet people and the dynamicness of the socio-economic processes and spiritual life of our society. The more active use by the party organizations of a comprehensive approach to the entire cause of indoctrination, the elucidation and consideration of particular features of working with various strata of the population and an organic combination of individual and mass forms of ideological indoctrination have become essential traits. Public opinion is also among the means of indoctrinational work in a collective and which have now begun to be used more intelligently by the party committees and by the ideological aktiv.¹

By its nature, this phenomenon is rather complicated and at times contradictory, but is capable of serving effectively in establishing communist ideals if one is constantly concerned with its purposeful formation and study and in every possible way protects its moral and political authority.

In the Accountability Report to the CPSU Central Committee to the 26th Party Congress, Comrade L. I. Brezhnev reemphasized how important it is for the party and for strengthening its leading role to sensitively listen to the voice of the masses and to study and consider public opinion.

The public opinion of a labor collective is assuming particular significance in the economic, social, political and spiritual-ideological life of a socialist society.

¹Public opinion is the attitude of the majority of people to the facts, events and processes of reality and which are of public interest and marked by debate. This attitude is expressed by the value judgments or practical actions of the people. Existing public opinion is characterized by an internal unity (monism) and this gives it the ability to regulate the conduct of people and arouse them to definite actions and practical activities.

The labor collective provides a direct link between the basic vital interests of the individual and society. It vividly manifests the humane essence of socialist relationships. Precisely the collective serves as that microenvironment in which the basic type of human activity, labor, occurs. It is primarily in the collective that a person has an opportunity to most rationally apply his knowledge and develop creative abilities.

The Accountability Report of the CPSU Central Committee to the 26th Party Congress and the "Basic Directions in the Economic and Social Development of the USSR for 1981-1985 and for the Period Up to 1990" give great attention to raising the role of the labor collectives in all areas of communist construction. These party program documents emphasize the necessity, on the one hand, of showing concern for improving the working and living conditions of the workers and for creating a creative environment and healthy sociopsychological climate in each collective. On the other, it is essential to raise the role of the collective in management and planning and in indoctrinating the workers in a spirit of a creative attitude toward the job, high social and production activity and in the recruitment and placement of personnel. The party has posed the task of increasing the significance of production conferences and general assemblies of employees which are one of the basic channels for the expression of the collective opinion.

Due to the high position of the labor collective in a socialist society and the evergrowing significance of it in implementing the economic and social policy of the CPSU, the general opinion of the members of a collective plays an important role in shaping the judgments of all society and in determining their content and nature and concrete bent. In the crucible of collective opinion, the individual judgments of persons on one or another question are reformed and their united views are shaped providing an impetus to the establishment and development of a public opinion of all the people. This turns the collective's opinion into a connecting link between individual opinions and the opinion of all society.

The primary party organization, the nucleus of the labor collective, has the determining influence on the maturity of the collective opinion and on its stability and effectiveness.

Through the judgments of the communists and the party aktiv, it focuses the attention of people on the most significant events in the life of society and the collective and makes them accustomed to analyzing the urgent problems and tasks of economic and social development and the seeking out of the most effective ways and means for solving them. In mobilizing the workers to the unconditional fulfillment of the plan quotas, in improving the style, forms and methods of their work, in actively resisting the old, obsolete stereotypes of thinking, the indirect force of inertia and in showing principledness, firmness and conviction in combating any sort of negative phenomena, the party organizations strengthen their authority in the collectives and purposefully influence the content and nature of the value judgments in them.

In the report at the 26th CPSU Congress, Comrade L. I. Brezhnev emphasized that the information received from the primary party organization "helps consider public opinion and to more specifically understand the state of affairs on the spot."

With a rise in the educational and cultural level of the people, the range of the manifestation of collective opinion has been significantly widened. At present it is actively involved in solving socioeconomic, political and ideological problems. The collective opinion is oriented particularly confidently in the sphere of moral relationships in defining and controlling the conduct and actions of people. Here its possibilities are truly universal.

In the area of moral relationships, the collective opinion as never before discloses its prophylactic purpose and evidences its ability to nip amoral phenomena in the bud. In the sphere of morality the competence of public opinion also includes the resolution of moral contradictions and conflicts. Having acted contrary to the standards and requirements of a collective or society, the individual enters a "field of moral-psychological tension." In this instance, public opinion, in accord with the specific situation, uses its authority and sanctions and eliminates the created tension.

Public opinion in its very essence is a spiritual phenomenon. However in relation to the separate individual it operates as an objective, real force for it is a permanent element in that social environment in which a person lives and works and grows spiritually and physically. Under the effect of public opinion, the moral views of a person are shaped, the rational and volitional spheres of his awareness become more sensitive and "humanized," and the moral qualities and habits of proper conduct are inculcated.

In a labor collective, public opinion is realized through the collective, group value judgments or practical actions of people expressing their attitude toward someone or something. These judgments or actions are the essence of the expression of moods, sets, orientations, standards and traditions of the collective. In each labor collective, an opinion can develop both on questions which are of interest for the broad masses of people as well as on questions which are of interest only for the members of the given collective. Not always is the opinion of a collective identical with the opinion of society. If it lags behind it in terms of qualitative characteristics then it may be of no essential significance in indoctrinating the members of the collective. Moreover, an appeal to an immature collective opinion is capable of leading directly to the opposite, that is, to a negative effect.

Consequently, it is always essential to bear in mind that the existing opinion of a collective can operate in a dual role: in one instance it can be a strong moral and psychological barrier on the path to the spread of negative phenomena, and in another serve as a nutrient for their maturing and spread. In both instances the individual falls into the "zone" of influence of a collective opinion and is at times unable to escape from it. The problem is that each member of a collective not merely contemplates the value judgments of his labor colleagues. Voluntarily or not, consciously or subconsciously, he correlates his views and notions about the facts of social reality with them and judges public opinion from collective opinion.

What are the sources of this high susceptibility of the individual to public opinion? Why is it capable of playing such a substantial role in forming his morality and motives of conduct?

The decisive factor in the active influence of public opinion on the awareness and activities of people is their social nature and the feeling of collectivism developed in them. "...A man," wrote K. Marx, "is not an abstract being taking shelter somewhere outside the world. Man is the world of man, the state and society" (K. Marx and F. Engels, "Works," Vol 1, p 414). For this reason he is far from indifferent as to what place he holds in public opinion.

As are shown by the results of sociological research "Moral Indoctrination of the Individual in a Labor Collective" conducted by scientists from the Academy of Social Sciences under the CPSU Central Committee in 1978-1979, the high role of public opinion in the eyes of a predominant majority of people is closely tied to the orientation of the workers to public forms of commendation and condemnation. The reinforcing and further development of the indoctrinational role of public opinion in the collective are closely linked by the workers with the broad use of such forms of moral condemnation as the entry of thanks into the labor booklet and the awarding of honorary insignias, diplomas, pennants and certificates. These and other forms of moral incentives are marked by a high degree of publicity, they are realized in the course of worker assemblies, they are reflected in the broad-circulation newspapers and in local radio broadcasts, that is, they are widespread in society.

As for the measures to combat the violators of labor discipline which are most effective according to the estimates of public opinion, such forms of condemning misdeeds such as a discussion at a meeting or a comrades' court, individual work with the violator of production discipline, the retaining of his bonus or the loss of a place for obtaining an apartment are unanimously recognized by the workers as much more effective means than various administrative (even the most severe, up to firing) reprimands and measures.

The susceptibility of persons to individual forms of moral commendation and condemnation has changed over time. In principle this should be the case, for changes occur in the very conditions of life, labor and the routine of people, and consequently, their interests, needs and value judgments also change. For the party and public organizations, this should mean that there cannot exist a system of moral and material incentives which is set once and for all. Over time the need arises to assess the importance of its various forms through public opinion and make the appropriate corrections, in constantly supporting their effectiveness.

As is known, the 26th CPSU Congress gave great attention to this question.

"The success of all the plans and all the programs," emphasized the Accountability Report of the CPSU Central Committee, "depends upon the attitude toward the question, upon conscientious work...and hence upon the system of moral and material incentives.

"...Our system of material and moral incentives should always and everywhere ensure a just and objective assessment of the labor contribution of each person. It is essential in every possible way to encourage conscientious workers and leave loafers and idlers no escape hatches for a good life with no work."

It is essential to point out that any forms of commendation and equally condemnation expressed in public opinion are much more effective when they are reinforced in publically approved documents. For example, in the labor collectives of Vitebskaya

Oblast it has become a tradition to express public opinion in such documents as the "code of worker honor," a "worker law," and a "code of a kolkhoz member" which define the measures of moral and material incentive for the best examples of labor and conduct as well as the effect on persons deviating from the standards and principles of communist morality. And this has born fruit as the various forms of commendation and condemnation, in complimenting each other, form an ordered system for encouraging labor and sociopolitical activities supported and protected by the authority of collective opinion.

Experience shows that collective opinion becomes effective only when it meets definite requirements.

In the first place, it should be marked by a unity of views and express the unbending will of the entire collective. Practice shows that often one can encounter "discordance" in discussing the misdeed of one or another worker. Among some members of the collective it is strictly judged while among others there is a liberal, uncritical attitude. In such a situation a person can scarcely become aware of the entire degree of his blame and properly feel the force of collective opinion. Secondly, it is essential that the opinion be publically expressed. Not the whispering behind the back of a colleague at work and not a discussion in a narrow group of people but rather an open assessment of the labor and conduct of a person can have a beneficial influence on him (and on others). Thirdly, public opinion should be expressive and touching on the emotions, it should involve not only reason but also the heart of man and his spiritual sphere. Fourthly, without fail it should be objective and justly make its judgments in the form of approval or condemnation and should place reasonable, sound demands on the members of the collective. Finally, fifthly, it is important to have in mind not a "statistical average person," but rather rely on the principle of a differentiated approach to people and consider their individual features, proceeding here, of course, from the general criteria of judging actions and activities by members of a developed socialist society.

A majority of people are marked by high receptiveness to the opinion of persons around and although it is not easy to endure criticism, still after criticism by the community they draw the proper conclusions. However, other types are also encountered. "No matter how much you speak with them, no matter how you appeal to their conscience or feeling of duty and responsibility, nothing helps. Then it is essential to act more decisively and take other measures...." (L. I. Brezhnev, "Rech' na Plenum TsK KPSS 27 Noyabrya 1979 Goda" [Speech at the Plenum of the CPSU Central Committee of 27 November 1979], Moscow, Politizdat, 1979, p 24).

In actuality, for such persons there should be a limit to the collective appeals and concessions, for after repeated public condemnations of their lack of discipline, idleness or drunkenness, as they say, for them "it is like water off a duck's back."

How to proceed in such cases? Precisely as how is provided by the Decree of the CPSU Central Committee, the USSR Council of Ministers and the AUCCTU "On Further Strengthening Labor Discipline and Reducing Personnel Turnover in the National Economy": to apply measures not only of a moral but also a material and disciplinary nature.

The party's specific position on the given question has been clearly formulated in the "Basic Directions in the Economic and Social Development of the USSR for 1981-1985 and for the Period Up to 1990." Having set the task of achieving a significant improvement in labor discipline, order and organization on the job as an indispensable condition for successfully carrying out the designated plans and for the further growth of the prosperity of the Soviet people, the party has urged the wider use of forms of material and moral action against the violators of discipline and a decisive eradication of instances of a tolerant, liberal attitude toward them. These ideas are fully supported by public opinion. As has been shown by the course of discussing the draft of the CPSU Central Committee to the 26th Party Congress, a majority of the workers considered as justified a strengthening and hardening of measures against the malicious violators of labor discipline.

Organization and order at each work area have been highly regarded in all the stages of building socialism in our nation. However, the price of these qualities has risen immeasurably under present-day conditions. The lost working minutes, the "hopping" from enterprise to enterprise by those fond of an "easy life," absences and loafing have come to cost the state (and hence all its citizens) too much.

Discipline and organization and the subordination of each person to the united will of the collective are an indispensable condition for successful collective activities. "This subordination," V. I. Lenin taught, "can, with ideal awareness and discipline by the participants of general work, be more reminiscent of the gentle leadership of a conductor. It can also assume the abrupt forms of dictatorship if the ideal discipline and awareness are lacking" (PSS [Complete Collected Works], Vol 36, p 200).

The collective, under the condition of its maturity and principledness, as a rule is precisely aware of what measures of commendation and punishment should be chosen and applied in each specific instance. Here strong but just measures against the malicious violators of the standards of communist morality always have a much greater impact if they derive not from a single person, for instance, the director of an enterprise or the head of a shop or section, but rather from the entire collective as an inexorable expression of its general opinion. Here it is very important to act in a united front against any manifestations of the "birthmarks of the old society," and to widely use worker meetings, production councils and comrades' courts with the involvement of the regular workers, labor veterans, propagandists and mentors of the youth in their work. In the labor collective ideological indoctrination should be based on these public, active forms for expressing public opinion. It would be no exaggeration to say that without their active use this work is substantially impoverished and it becomes virtually impossible to create in the collective a situation of mutual exactingness and inevitable condemnation by public opinion of any deviations from the moral standards of our society.

The development of a principled collective assessment of negative phenomena has been put among the key tasks of indoctrination, for there are still encountered instances when for the sake of a falsely understood "feeling of comradeship" or a maintaining of a "good climate," collective opinion assumes the position of forgivingness and closes its eyes to obvious sins in the labor and conduct of individual workers. It also happens that the social organizations, the aktiv playing the part of outside observers here, do not show proper tenacity and consistency in combating them.

Sociological research indicates that many violations of moral standards thus remain without discussion and proper condemnation by collective opinion. Thus, only 67 percent of those questioned in the above-mentioned research stated that their collectives discuss each case of drunkenness, 67 percent for hooliganism, 34 percent for scandals in a family and 38 percent for wastefulness.

The causes of such a situation vary. In some collectives, they refer to the lack of time and the impossibility of watching everything while others follow the principle "we discuss some and the others realize their mistakes." This, as life shows, is far from always the case. Moreover, among some leaders there is the incorrect viewpoint that excessive activeness in open discussions of negative phenomena may harm their authority and even cast a shadow on socialist morality. The profound mistakenness of such a position is obvious.

The experience of the labor collectives where they decisively investigate any moral flaws and where each misdeed running contrary to the principles of the socialist way of life is brought before the court of public opinion, indicates that precisely in this instance a healthy moral-psychological climate is formed and the system of moral indoctrination for the workers acts effectively.

The opinion of a labor collective is capable of operating not only as an important means of ideological indoctrination but also as a principled criterion of its effectiveness, since the facts of the life and awareness of people are reflected with varying degrees of profoundness in their opinions. The response to socially significant events and problems contains elements of the knowledge and convictions of people, it discloses their interests, sets and value orientations, that is, to a certain degree gives evidence of their position in life. For this reason the opinions of the members of a collective are valuable material both in the stage of planning indoctrination in the collective and in the desire to see the fruits of the given work, its successes and shortcomings. In this sense, the optimization of the process of ideological indoctrination activities is impossible without the regular and thoroughly analysis of the moods of people and their attitudes toward the realities of today.

The making public and practical use of the results of studying the opinions of members of a collective represent not only a political and broadly democratic act but also an important factor having an indoctrinating effect on the very collective opinion and significantly increasing its effectiveness. How is this manifested?

In the first place, in the fact that there is a noticeable rise in the active expression of judgments by the workers on the most urgent problems of the collective's vital activities. In seeing that their opinions are of interest and they are heeded, people participate more willingly and with greater desire in managing the enterprise's affairs thereby increasing the management value of the collective opinion.

Secondly, the opinion of a collective stated in concrete, empirical indicators (for example, in the results of a sociological questionnaire) and made public makes it possible for each person to see for himself its own ideological and moral potential, to assess collective reason as it were from the side, to note its strong and weak points and to ascertain the degree of unity and difference in the views of work colleagues on various problems. It is noteworthy that under such conditions a

collective opinion is effectively formed and is united around the most mature and competent judgments.

Thirdly, the more frequently the members of the collective are reminded of their general viewpoints about various facts and events disclosed as a result of studying individual opinions, the more rapidly the opinion of the collective begins to function, so to speak, "automatically," itself, without any instructions from outside, carrying out its proper functions, including indoctrinational ones, and regulating more effectively and tangibly the conduct and deeds of the people.

And, fourthly, one cannot help but mention that the new members of a collective, in falling under conditions where it is the habit to regularly study and publicize the opinions of the workers, more quickly understand the essence of the standards, values and sets inherent to the given collective. As practice has shown, this helps the novices more easily orient themselves in the unfamiliar situation and to more quickly develop the generally accepted behavior traits in the collective.

In recent years the party organizations of the labor collectives in close cooperation with sociologists have begun to make more active use of the diverse methods of studying public opinion. This includes varieties of sociological research such as complete questioning and samplings, observation, analysis of statistical data, report documents of party and social organizations, as well as turning to the tried and tested means of ideological and political indoctrination which can serve as a channel for the expression of opinions. Thus, in the labor collectives of Bashkiria, Dnepropetrovskaya, Kuybyshevskaya, Permskaya, Moscow and other oblasts, the exercises in the political and economic education system are widely used for assessing the moods of the workers. For them they prepare ahead of time special questionnaires on which the listeners can state their proposals to improve ideological indoctrination, better the organization of labor, involve the members of the collective in production management and so forth. After the exercises the ideological commission under the enterprise party committees with the participation of the propagandists carefully analyze the proposals found in the questionnaires and determine specific measures to actually implement them.

As practice shows, such an attitude toward the opinions of the audience intensifies the attention and interest in studies and helps to raise their effectiveness. And it is precisely the effectiveness, as was pointed out at the 26th CPSU Congress, that is the main question of political education.

Regardless of certain successes in studying public opinion, not everything is well here nor does it meet the needs of social control. This was the reason for the 26th CPSU Congress to point out that "as yet public opinion is little studied."

Unfortunately, a leader of a labor collective may not be particularly interested in studying public opinion referring, as a rule, to his own understanding of the moods among the members of the collective. Such a position can be scarcely justified. No matter how well informed he might be about the opinions of people, their regular study only contributes to indoctrinating the members of the collective and moreover reinforces his own authority. Of course, in the course of studying public opinion, critical comments are also addressed to the leader himself. But the value of these democratic procedures is that they refocus attention on the style and methods of

administrative and party leadership. What can happen with the ignoring of the opinion of a collective was described by the First Secretary of the Chelyabinskaya Obkom, Comrade M. Voropayev. In analyzing the results of the previous report and election campaign in the primary party organizations, he, in particular, wrote: "The officials who had lost their party principledness and often become mired in various abuses were subjected to strict condemnation. The meeting at the Kochkarskiy Sovkhoz was particularly sharp. The communists, as they say, ignominiously 'ousted' the sovkhos director P. Karpov who had been recommended as a member of the party bureau but who had ceased to consider the opinion of the workers. Soon thereafter he had to be removed from the job" (M. Voropayev, "The Ability to Draw a Lesson," PRAVDA, 1 December 1980).

Such cases could be completely avoided if in choosing and promoting a leader one relied on the opinion of the members of the collective who have a good knowledge of his ideological-moral and professional qualities. Precisely this is how they proceed in the labor collectives of Georgia where in recent years a principle of collectivism has been established in solving personnel questions. Here the party bodies have begun to more fully consider the opinion of the communists and the worker collectives. This has made it possible to avoid the previously occurring mistakes in evaluating the workers or promoting them out of reasons of personal loyalty for kinship and friendship ties. Valuable experience in work with the personnel has also been acquired in the Leningrad and L'vovskaya obkoms and the Kaunas Gorkom. Here before promotion they thoroughly evaluate the political, professional and moral qualities of the workers. For example, the Kaunas Gorkom for these purposes skillfully uses sociological research which makes it possible to consider the opinion of the workers about one or another employee. In a word, practice shows that the communists of an enterprise and a collective better than anyone else see the strong and weak qualities of one or another employee. For this reason the party must rely more boldly in its personnel policy on the primary party organizations and the opinion of the labor collectives.

Party concern for the collective opinion is ultimately a concern for raising its effectiveness and for turning it into a real force capable of determining the behavior and actions of people and hence multiply the achievements of the entire collective.

The discussion of the results of the 26th Party Congress in the labor collectives has become a new major factor increasing the role of public opinion. The interest with which the congress documents have been received, the atmosphere of their lively and creative discussion in the worker collectives and the proposals made by the Soviet people are a clear indicator of the strength of public opinion and its political and moral maturity.

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10272

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LABOR

MANPOWER DISTRIBUTION FORECAST WITH REGARD TO SOCIAL, DEMOGRAPHIC FACTORS

Moscow IZVESTIYA AKADEMII NAUK SSSR: SERIYA EKONOMICHESKAYA in Russian No 3, May-Jun 81 pp 46-56

[Article by T. A. Shokareva: "Consideration of Social and Demographic Factors in Forecasts of the Distribution of Manpower Among Different Spheres and Sectors of the National Economy"]

[Text] This article examines the unique features of the present stage in the national economy's development from the standpoint of manpower reproduction conditions; it analyzes the basic trends in changes that occurred in employment structure during the last three decades; it validates the need for considering social, and mainly social-demographic factors when developing forecasts for the distribution of manpower among different spheres and sectors of the national economy, and it examines a number of methodological problems associated with considering such factors in practice.

In developed socialist society, study of the trends of employment distribution in different spheres and sectors of the national economy is one of the most important prerequisites of sensible use of society's main productive force, and of systematic and proportionate development of the entire national economy; it is one of the main conditions for building the material-technical base of communism. This problem is acquiring special urgency in the present phase of our economy's development, one of the unique features of which is aggravation of the manpower problem. In his report to the 26th CPSU Congress, Comrade L. I. Brezhnev noted: "A thrifty, economical attitude toward manpower is acquiring special significance in the 1980's. This is a complex matter, requiring solution of many economic, technical, social, and educational problems" (1).

Our country has now achieved a high level of employment. In 1979, more than 90 percent of the employable population worked at state enterprises, in the social economy of kolkhozes, and at school with leave from production. Women raising small children and women with many children are basically all that are left today in the domestic and private economy.

Growth in the number of workers depends mainly on the dynamics of the employable population. Today, young people attaining working age and starting work are contributing an increasingly larger contribution to the additional work force required.

The proportion of these people in the total increase of employees in social production is constantly increasing. And in the future, almost the entire increment of workers in the national economy will be contributed by people attaining working age. The proportion contributed by other sources will be insignificant. Thus employment in the social economy can grow today only as fast as the size of the employable population increases (or even slower).

At the same time, the rate of growth of the employable population is rather low, and it is exhibiting a tendency toward further decline. Growth of this population group decreased especially dramatically in the middle of the 10th Five-Year Plan, and this process will continue into the next two five-year plans, because the relatively small population groups born in 1960-1970 will be attaining working age. A decrease in birth rate was observed during this time because of a decline in the fecundity coefficient, and because new mothers were women who had been born during the war. Besides this, the rate of growth of the employable population is also decreasing owing to the departure, from this group, of many individuals who were born in years of high birth rate and who did not take part in the war.

In his speech to the October (1976) CPSU Central Committee Plenum L. I. Brezhnev emphasized the tremendous significance of the manpower problem to the present phase of the Soviet economy's development. "Our manpower demand will grow in both the productive and the nonproductive sphere. But on the other hand the action of demographic factors associated with the remote consequences of war will result in a sharp decline in the influx of employable persons in the 1980's. The situation that has evolved makes the task of economizing on and making more-sensible use of manpower all the more urgent" (2).

Thus manpower is one of the principal limiting factors of economic development today. "The more dynamic the national economy is and the more quickly its sector and territorial structure changes, the more acute becomes the task of coordinating development of material production in the nonproductive sphere with the manpower availability" (3).

Table 1 shows the distribution of persons employed in the national economy between material production and the nonproductive sphere in the last three decades.

Table 1. Change in the Distribution of Persons Employed in the National Economy Between Material Production and the Nonproductive Sphere, percent

	1950	1955	1960	1965	1970	1975	1979
National economy	100	100	100	100	100	100	100
Material production	86.2	85.2	83.0	79.9	77.4	75.4	74.2
Nonproductive sphere	13.8	14.8	17.0	20.1	22.6	24.6	25.8

Note: Compiled from information published in the statistical annual "Narodnoye khozyaystvo SSSR" [The USSR National Economy] in the appropriate years.

Table 2. Employment Distribution in Different Sectors of the National Economy, in Percent

	<u>1950</u>	<u>1955</u>	<u>1960</u>	<u>1965</u>	<u>1970</u>	<u>1975</u>	<u>1979</u>
National economy	100	100	100	100	100	100	100
Industry and construction	27	31	32	35	37	38	39
Agriculture (including forestry and private farming)	48	43	39	32	27	23	21
Transportation and communication	5	6	7	8	8	9	9
Trade, public food services, material-technical supply, procurement, and marketing	5	5	6	6	7	8	8

Note: Compiled from information published in the statistical annual "Narodnoye khozyaystvo SSSR" (The USSR National Economy) in the appropriate years.

As we can see, a total of only 13.8 percent of all workers in the national economy were employed in 1950 in the nonproductive sphere. However, the number of employees in this sphere of the national economy grew much faster than in material production, as a result of which the proportion of workers in the nonproductive sphere grew significantly in the intervening period. The most significant changes occurred in the 1960's: While from 1950 to 1960 the ratio of the number of workers in the nonproductive sphere to 100 employees in material production increased from 16 to 20, in the next 10 years the ratio increased from 20 to 29.

At the same time the proportion of employees in material production continues to remain rather high: In 1979, 60 percent of all of the national economy's workers were employed by just the three principal sectors of material production--industry, construction, and agriculture, making up the so-called sphere of real-material production. Were we also to analyze change in the distribution of workers among different national economic sectors (Table 2), we would conclude that the following were typical of this period:

a decrease in the proportion of employees in real-material production from 87 percent to 80 percent between 1950 and 1979, and a rise in employment in sectors of the production infrastructure from 13 to 20 percent in relation to the total number of employees in material production;

a decrease in the proportion of agricultural employees within the total employment of the national economy and real-material production. As an example, in 1950 workers in industry and construction made up 36 percent of the total employment in real-material production, and agriculture represented 64 percent, while today these figures are 65 and 35 percent respectively.

Agriculture is now the only sector in the national economy experiencing an absolute decrease in employment. But even today, a significant proportion of all workers are concentrated in agriculture. Thus prior to the end of the 1960's this sector had the top employment figure in the USSR national economy. At the beginning of the 10th Five-Year Plan 23 percent of all of the population employed in the national

economy was concentrated in agriculture--that is, almost as much as in all of the nonproductive sectors.

Until recently (in times of a relative abundance of manpower), consideration of the national economy's economic and productive needs had been given priority in analysis, planning, and forecasting of labor resources; the demographic situation, meanwhile, was considered in forecasts of the distribution of manpower among different spheres and basic sectors of the national economy only with regard to determining the total number of workers. It was usually presumed that the dynamics of employment in the national economy are governed mainly by demographic factors while the distribution of workers among different spheres and sectors depends on economic factors, among which the output of products and fixed productive capital was the most important.

However, the present distribution of laborers in the different spheres and major sectors of the national economy is the result of interaction of an entire complex of factors, both economic and social, including social-demographic factors representing a certain form of social processes (6). Of course, economic processes do have the decisive influence on the distribution of workers, since they are precisely what shape the whole national economy's demand for manpower, and the demand of its sectors. However, there are unique features to reproduction of labor resources. Their economic potential is formed under the influence of not only economic but also social, and mainly social-demographic processes, to some extent exogenous in relation to the process of economic growth:¹ ones having a determined qualitative nature and being relatively independent of production development.

Thus because the conditions under which the economy is developing are typified by sharp growth in the limiting role played by manpower as a factor of economic growth, and rising significance of the social aspects of manpower use, we need a fundamentally new approach to the forecasting of manpower distribution: Consideration of the influence not only economic but also social factors have on this process is a mandatory prerequisite of raising the scientific level and validity of manpower distribution forecasts.

Social factors having the most significant influence on the dynamics of labor resources and on their distribution among different forms of employment as well as among different spheres and sectors of the national economy may be divided into two groups: demographic, or social-demographic factors² (the population size, the sex and age structure of the population, the regional structure of the population, and so on) and specifically social factors³ (the material and cultural demands of the people, the motives of their work, the traditions of family life, and so on).

In order to reflect the laws by which these groups of factors govern the distribution of manpower, and in order to permit their consideration, we would need to first distinguish the large structural units of the national economy, ones that are homogeneous (to one extent or another) from the standpoint of the degree and direction of influence of social factors upon formation of the work force within them. The influence of both specifically social and social-demographic factors upon this process manifests itself differently in different subdivisions of the national economy: The laws of this influence apparently depend on the role played by labor as a factor of production in the given subdivision of the national economy,

and on the possibilities available for expanding production within this subdivision, afforded by the interchangeability of labor and other production factors. These unique features of the labor process stem from differences in the roles played by technical resources and material conditions in labor, and from differences in the objects and results of labor.

From this standpoint we can distinguish the following spheres and sectors of the national economy that are clearly specific from the standpoint of labor: material production and the nonproductive spheres; real-material production and the productive infrastructure; the industrial sectors of real-material production and agriculture.

Examining labor in material production, Marx defined it as an exchange of matter between man and nature, as direct interaction of the resources of labor, the objects of labor, and purposeful activity, or labor itself. Although as a rule labor is associated with natural objects in the nonproductive sphere, transforming their natural properties, as occurs in material production, is not its purpose. The object to which the labor of sectors in the nonproductive sphere is applied is either man himself (public health, education, and so on), or social relations (state administration, social organizations, and so on), or nature and society, studied with the purpose of obtaining the largest possible amount of information on these entities and on the laws of their development (science).

The technical resources and material conditions of labor in the nonproductive sphere are not the direct resources of product creation; instead, they play an auxiliary, subsidiary role in the labor process. They are unique "resources of labor" having tremendous significance to this sphere of activity--they are the consciousness, thought, and creativity of the individual. A number of labor processes in nonproductive sectors may proceed without material elements. An example of this is development of certain ideas and images through human thought. The technical resources and material conditions of this sphere of activity do not predetermine the content of the labor; nor do they dictate the labor rhythm, as is the case in material production. Therefore labor in this area yields less to mechanization and automation than does the technological process of labor in material production.

Labor in different sectors of material production also has unique features in terms of its content and purpose. This is true mainly of the sectors of real-material production (industry, construction, and agriculture) and sectors of the production infrastructure (transportation and communication providing services to production, trade, public food services, material-technical supply, procurement and marketing, and other sectors of material production). A product is created in its real form in the sectors of real-material production. Here, the possibilities for mechanization and automation of production processes are greater. In such sectors of material production as freight transport, material-technical supply and marketing, trade and procurement, and communication (particularly as a service to production), the result of labor is not a new real product. These sectors do not create new consumer valuables; instead, they complete production of consumer valuables already created in industry or agriculture, or they service material production.

Next we need to examine the sectors of real-material production. They may be provided into two groups: industry and construction on one hand (the industrial sectors of real-material production), and agriculture on the other. Although a product is

created in its real form in both industry and construction on one hand and agriculture on the other, labor in agriculture has a rather important unique feature. It is closely associated with biological processes, and natural and climatic conditions have a certain influence on the result of labor. However, the differences between these sectors are defined not only by the unique features of labor but also by the maturity of labor or, in other words, the level of its industrialization. Therefore the objective possibilities for raising labor productivity on a given technical basis also differ in these sectors.

If we are to solve this problem of accounting for the influence changes in social, and mainly demographic, conditions of formation of labor resources has on the manpower distribution, besides distinguishing the major subdivisions of the national economy, we will also need to develop new methods. This of course means that we must not only search for new prediction methods but also improve the existing methods, used today to forecast the distribution of labor resources and the work force, with a consideration for the task at hand.

Different methods are used today in Soviet planning practice to arrive at long-range estimates of the manpower structure: the balance method, the logical simulation method (it is known in the literature by other names as well: the model simulation method, the international analysis method), and economic-mathematical methods and models (4,5). Naturally, within the limits of this article it would be impossible to examine the ways all of these methods could be used to complete the task at hand. Therefore I suggest examining just one of the possible directions for improving the balance method, which is the principal method used in Soviet practice to plan and forecast the employment structure (including on a sector basis).

This method basically entails tying in the size of the labor resources with the society's manpower demand, with a consideration for the most effective use of this manpower. The summary labor resource balance occupies a central place within the system of balances developed in the course of planning and forecasting the labor resources and their employment level. This summary balance describes the availability of labor resources (their numerical composition), the employment level (distribution among different forms of employment), the location of labor resources (urban and rural), and their distribution among different spheres and sectors of the national economy. Creation of a summary labor resource balance also presupposes development of a whole system of balance estimates characterizing different aspects of the use of the population's labor. I am referring primarily to balance estimates of the additional demand for blue and white collar workers and the sources from which they are obtained; estimates of the demand of kolkhozes for manpower, and the sources of its satisfaction; balance estimates of job availability for young people.

However, none of the balances used today to plan and forecast the distribution of the work force take full account of the continually increasing influence of social factors on formation of the manpower structure. Demographic factors are accounted for in these balances only with the purpose of determining the total size of the labor resources, while the number of employees in social production and their distribution among different spheres and sectors are determined only with regard to economic factors, on the basis of the manpower demand of the national economy's principal subdivisions in accordance with the planned production volume and the predicted growth of labor productivity.

Consideration of social-demographic factors and factors of the specifically social type requires development of a tentative summary labor resource balance. Proposals for developing such a balance are contained both in the "Methodological Directives on Writing State Plans for Development of the National Economy", and in the works of some economists (5); however, this balance has still not received adequate use in the forecasting of the manpower distribution.

The estimates contained in the tentative summary labor resource balance must be made before long-range plans for developing production are written. It is in this sense that this is a tentative balance. Its purpose is to define the potential manpower resources in the different sectors, and the possible bounds and limits of employment depending on changes in social and, in particular, demographic conditions governing formation of the labor resources. Thus this balance differs in its purpose from the summary labor resource balance, and therefore the format of the former should be somewhat different from that of the latter.

I can suggest the following format for the tentative summary labor resource balance. As with the summary labor resource balance, the format considered here should take the form of a table consisting of two mutually associated sections. The first section should characterize the size and composition of the labor resources, and the second should describe their distribution among different forms of employment and different subdivisions of the national economy. The structure of the first section of this balance would be fully consistent with that of the corresponding section in the summary labor resource balance. It would reflect the different sources responsible for formation of the society's labor resources. The second section would consider only two forms of labor resource distribution: among different forms of employment, and among different spheres and sectors of the national economy. The summary labor resource balance, meanwhile, also shows the distribution of labor resources among different social groups, as we know.

Certain differences between these balances, corresponding to different stages in making the forecast estimates, will be the product of differences in the logic followed to calculate certain indicators of the balances. Thus in the summary labor resource balance the number of employees in the domestic and private sectors is determined by the "remainder" method--that is, the number of persons employed in social production and going to school with leave from production are subtracted from the total labor resources. In the tentative labor resource balance, meanwhile, the size of this employment group must be calculated before, or in parallel with calculation of the number of workers occupied in the private economy. In this case the main objective should be to arrive at the most optimum compromise between the participation of women in social production and ensuring normal conditions for reproduction of the country's population.

There are also some differences in the logic behind the calculations directly associated with determining the structure of the work force in the future. In the summary labor resource balance, the numbers of persons employed in the principal sectors of material production are calculated on the basis of production dynamics and future growth of labor productivity in these sectors. In the nonproductive sphere, the numbers of workers are calculated on the basis of labor outlay standards, with a consideration for the developmental trends being experienced by the network

of enterprises, institutions, and organizations providing cultural and personal services to the public. The number of employees in social production, meanwhile, is found by summing the manpower needs of these sectors. The sequence of calculations is somewhat different for the tentative labor resource balance. In this case the calculations proceed from larger to smaller groups: The number employed in social production is the starting point, and it is on the basis of this indicator that we determine the structure of the work force, with a consideration for the laws governing the distribution of labor resources among the major subdivisions of the national economy, as elicited by the unique features of the labor process itself.

Moreover the tentative summary labor resource balance considers not all of the principal sectors of the national economy, but only its largest subdivisions, such as material production and the nonproductive sphere, or real-material production and the production infrastructure. Furthermore, a distinction is made between agriculture, industry, and construction within the composition of real-material production.

In order to take fuller account of the dependence of the distribution of workers among the large subdivisions of the national economy upon the nature of social, and mainly social-demographic processes, we would need to draw up the tentative summary labor resource balance in a regional cross section. The reason for this is that significant differences still exist in the way labor resources are formed in different regions of the country. All union republics may be divided into two large groups from the standpoint of significant differences in demographic processes having the most direct influence on the dynamics and structure of labor resources: labor-poor regions (RSFSR, Ukrainian SSR, Belorussian SSR, the Baltic republics), and labor-rich regions (the Central Asian republics, the Transcaucasus, and the Kazakh and Moldavian SSR).⁴ Different types of population reproduction, and different dynamics and age-sex structure of the employable public and the labor resources are typical of these groups of republics; this is the reason why, under otherwise equal conditions, the potential labor resources of these groups of republics differ.

But despite the favorable dynamics of the employable population and all labor resources, and despite the favorable age and sex composition of the entire population (especially the employable population) in republics of the second group, these republics lag behind other regions of the country in terms of the scale and level of employment in social production, and in terms of the extent to which their populations, and especially women, participate in labor. This can be explained by the fact that the socioeconomic conditions of labor resource formation have a significant influence on the structure of labor resources and on the scale and level of employment in social production. Rather significant differences in the population's demand for jobs, stemming from socioeconomic factors, still remain in republics with different types of population reproduction and with different degrees of manpower availability. Due to a number of factors, they differ in the population's education level, standard of living, family size, degree of the economy's industrialization, and its time orientation. Local traditions, often associated with the national features of the residents of a given region, also have an effect on the demand for jobs. All of this results in lower social and territorial mobility, and poor adaptability of the indigenous population of labor-rich regions to industrial forms of labor. This

is why, for example, the problem of attracting women to social production from the domestic and private economy, which has generally lost its significance to the national economy in general, has a territorial aspect. Thus sizeable labor resources are still employed in this sphere of activity in the Central Asian and Transcaucasian republics, and especially in their rural regions.

Obviously the sector structure of employment exhibits unique differences in these groups of republics, ones differing in the social and mainly the demographic conditions of labor resource formation; this is confirmed by the data in Table 3.

Table 3. Mean Annual Growth Rate of Employment in Different National Economic Sectors, in a Regional Cross Section, Percent

	Labor-Poor Regions			Labor-Rich Regions		
	1966- 1970	1971- 1975	1976- 1978	1966- 1970	1971- 1975	1976- 1978
National economy	2.2	1.7	1.3	3.3	2.8	2.0
Industry and construction	3.3	1.8	1.0	4.3	2.6	1.5
Agriculture (including forestry)	-1.6	-1.0	-1.3	0.6	1.5	1.4
Transportation and communication	2.2	2.8	1.9	3.9	3.6	3.5
Distribution	4.6	3.1	1.8	5.0	4.1	2.0
Nonproductive sphere (except for passenger transportation and communication servicing the public and institutions of the nonproductive sphere)	4.0	3.0	1.9	4.9	4.6	3.1

In industry and construction, in transport and communication, in distribution (trade, public food services, material-technical supply, procurement, and marketing), and in the nonproductive sectors, differences in the intensity with which employment has changed in labor-rich and labor-poor regions are highly significant, while in agriculture the orientation manifested by changes in employment is unique. While in labor-poor regions the absolute employment level of this sector is decreasing, in labor-rich regions the number of persons employed in agriculture is growing.

And so, the estimates for the tentative summary labor resource balance should be made with a consideration for the regional aspect--that is, the labor-poor and labor-rich regions must be distinguished. Only regional differentiation of the analysis would ensure consideration of the entire diversity of social and, in particular, demographic processes, and thus provide the grounds for determining the specific traits of labor resource formation and the distribution of labor resources in the national economy. It should be noted that the need for considering the regional aspect is dictated today by both the demand for raising the scientific validity of forecasts and the uniqueness of the concrete situation. As was noted above, the rate and absolute size of the increase in the working age population began to decrease in the middle of the 10th Five-Year Plan. Moreover this decrease will proceed nonuniformly in different periods and in different territories. Thus the size of the employable population will show an absolute decrease in labor-poor regions, while

in labor-rich regions the number of persons of employable age will increase owing to the high natural growth of the population. In the future, the differences in the rates of growth of the employable population will intensify the differences in formation of potential labor resources and in the availability of manpower to the social economy on a regional cross section. Thus our country is entering a period typified by a shift toward growth of the employable population in republics in which the socioeconomic mobility of the population is not very high. Under these conditions the unique features of labor resource formation, stemming from the nature of population reproduction and from the socioeconomic conditions of the given territory's development, go a long way to define the bounds of possible utilization of labor resources in the different spheres and major sectors of the national economy. Thus it becomes especially important to determine the employment limits for the major subdivisions of the national economy, on the basis of the limitations imposed upon labor resource formation by regional features.

Work on a long-range tentative summary resource balance presupposes development of several variants. Naturally these variants would be in line with different hypotheses concerning the way a transition will occur to other types of manpower distribution, a transition reflecting change in the recently evolved trends in the distribution of employees among the national economy's major subdivisions in connection with new social, and mainly social-demographic, conditions of labor resource formation.⁵

The basic directions of these shifts in the employment distribution trends may be characterized as follows: In the future the number of persons employed in material production will apparently stabilize at first, and then it will decrease. Growth in the number of workers in the nonproductive sphere will continue. Rather significant changes will occur in the distribution of manpower among different sectors within material production. From all appearances the employment level in industry will not only stabilize, but it will also drop--that is, together with agriculture, this sector will represent an area of absolute reduction of employment. Growth in employment in construction as well as in sectors of the productive infrastructure will continue.

Thus one of the main directions for improving the methods used to forecast the distribution of manpower among the different spheres and sectors of the national economy is to account for the social, and mainly the demographic factors. It is only on the basis of such a consideration that we can ensure that the national economy's development would be typified by sharp growth in the role of labor resources as a limiting factor of economic growth, intensification of the significance of the social aspects of labor utilization, and development of scientifically grounded plans and forecasts of the distribution of manpower among the different spheres and sectors of the national economy in the future. Development of this balance and of the system of supplementary balances and balance estimates will permit us to arrive at the most general, most comprehensive evaluation of the influence social (and mainly social-demographic) processes have on the distribution of workers in the national economy. However, other methods of analysis and forecasting will have to be developed so that we could substantiate the different variants of a tentative summary labor resource balance, and choose the most probable of them. It is only on the basis of a combination of the balance method and these methods (among which econometric methods and models should occupy an important place) that we could ensure development of scientifically grounded long-range plans and forecasts of manpower

distribution with a consideration for the social-demographic aspect, and maintenance of an integrated approach to manpower structure planning and forecasting.

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FOOTNOTES

1. For example the size of the labor resources and their distribution among different forms of employment (social production, study apart from production, domestic and private economy), and among different spheres and sectors of the national economy depend in many ways on the sex and age structure of the population, and

mainly of the working age population. The reason for this is that the age and sex structure has a significant influence on the demand of individual population groups for jobs, on the degree to which these groups actually participate in social production, on the requirements they impose on the content of their labor, and so on. Therefore the size of the labor resources and the level of employment in social production as well as the distribution of workers among different spheres and sectors of the national economy depend on the age and sex features of the population (and mainly the employable population).

2. Social-demographic factors are distinguished as a separate group because demographic processes reflecting changes in population reproduction include biological factors within themselves, in contrast to other social processes.
3. It should also be noted that while social-demographic factors are quantifiable, a researcher wanting to account for specifically social factors finds himself facing the problem of both selecting the indicators to reflect change in these factors and acquiring the necessary statistics. Therefore the first step in solving the problem of accounting for social factors in forecasts of manpower distribution must be consideration of factors in the social-demographic group.
4. Of course, such a division is to a significant extent arbitrary and relative, since it does not consider the rather significant differences existing within the republics themselves in manpower availability. However, it does have certain practical value: It does permit us to distinguish the manpower use problem of greatest significance to the given republic.
5. It should be noted that development of a tentative summary labor resource balance presupposes, on one hand, performance of a number of additional balance computations (to include, for example, balance estimates of the composition of labor resources and their distribution among different forms of employment, in relation to sex and individual age groups), and on the other hand, use of econometric methods and models, among which factor regression models, probabilistic matrix models, and so on should apparently have an important place. Their use in making the computations for the tentative summary labor resource balance would not be contrary to the essence of the balance method; instead, it would permit us to formulate and substantiate different variants of manpower distribution among different forms of employment and major subdivisions of the national economy.

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